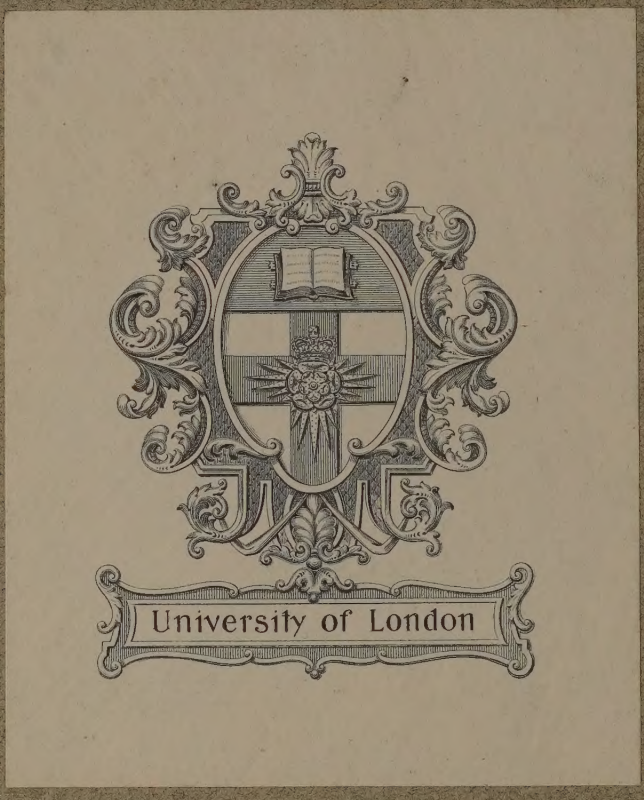
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ACCOUNTS AND PAPERS:

SIXTY-THREE VOLUMES.

—*(43.)*—

COMMERCIAL REPORTS—*continued.*

Session

31 *January* 1893——5 *March* 1894.

VOL. XCII.

1893-94.

ACCOUNTS AND PAPERS:

1893-94.

SIXTY-THREE VOLUMES:—CONTENTS OF THE

FORTY-THIRD VOLUME.

N.B.—*THE* Figures *at the* beginning of the line, *correspond with the* N° *at the foot of each* Paper ; *and the* Figures *at the* end of the line, *refer to the* MS. Paging *of the Volumes arranged for The House of Commons.*

COMMERCIAL REPORTS—*continued.*

[C. 6855.] Trade Reports (Annual Series), 1893-94, Nos. 1113 to 1329.

Africa:

No. 1144. Report for the Year 1891-92 on the Trade of the Oil Rivers Protectorate (Old Calabar) (reference to previous Report, Annual Series, No. 1063). p. 1

No. 1305. Report for the Year to 31st March 1893 on the Trade of the Somali Coast (reference to previous Report, Annual Series, No. 1208.) 35

No. 1208. Report for the Year 1891-92 on the Trade of the Somali Coast Protectorate. 43

No. 1215. Further Report for the Year 1892 on the Trade of the Oil Rivers Protectorate (Old Calabar) (reference to previous Report, Annual Series, No. 1144). 55

Argentine Republic:

No. 1140. Report for the Year 1892 on the Finances of the Argentine Republic (reference to previous Report, Annual Series, No. 1000). 63

No. 1147. Report for the Year 1892 on the General Condition of the Argentine Republic (reference to previous Report, Annual Series, No. 1068). 97

No. 1161. Report for the Year 1892 on the Trade, Agriculture, and Immigration of the Province of Santa Fé (reference to previous Report, Annual Series, No. 1028). 221

No. 1178. Report for the Year 1892 on the Trade of the Argentine Republic (reference to previous Report, Annual Series, No. 927). 245

No. 1283. Report for the Year 1893 on the Agricultural Condition of the Argentine Republic (reference to previous Report, Annual Series, No. 1147). 253

No. 1303. Report for the Half-year ending 30th June 1893 on the Foreign Trade of the Argentine Republic (reference to previous Report, Annual Series, No. 1178). 315

Austria-Hungary:

No. 1114. Report for the Year 1891 on the Trade of Austria-Hungary (reference to previous Report, Annual Series, No. 889). 323

No. 1145. Report for the Years 1890-91 on the Trade of Trieste (reference to previous Report, Annual Series, No. 836). 339

No. 1249. Report for the Year 1892 on the Trade, &c., of Fiume (reference to previous Report, Annual Series, No. 1047). 359

No. 1265. Report for the Year 1892 on the Foreign Trade of Austria-Hungary (reference to previous Report, Annual Series, No. 1114). 385

No. 1273. Report for the Year 1892 on the Trade of Hungary (reference to previous Report, Annual Series, No. 969). 405

No. 1292. Report for the Year 1892 on the Trade of Trieste (reference to previous Report, Annual Series, No. 1145). 413

Bavaria:

No. 1133. Report for the Year 1891–92 on the Finances of Bavaria (reference to previous Report, Annual Series, No. 795). p. 437

No. 1188. Report for the Year 1891 on the Trade of Bavaria (reference to previous Report, Annual Series, No. 975). 461

No. 1291. Report for the Year 1892 on the Trade of Bavaria (reference to previous Report, Annual Series, No. 1188). 493

Belgium:

No. 1220. Report for the Year 1892 on the Trade of the District of the Consulate-General at Antwerp (reference to previous Report, Annual Series, No. 1041). 503

Brazil:

No. 1136. Report for the Years 1889–92 on the Trade of Brazil (reference to previous Report, Annual Series, No. 807). 519

No. 1141. Report for the Year 1891-92 on the Trade of Maranham (reference to previous Report, Annual Series, No. 977). 555

No. 1160. Report for the Year 1892 on the Trade, &c., of the Consular District of Santos (reference to previous Report, Annual Series, No. 1018). 565

No. 1263. Report for the Year 1892 on the Trade of the Consular District of Rio Grande do Sul (reference to previous Report, Annual Series, No. 1077. 583

No. 1290. Report for the Years 1890–92 on the Trade, &c., of Bahia (reference to previous Report, Annual Series, No. 793). 623

No. 1321. Report for the Years 1890–93 on the Trade and Finances of Brazil (reference to previous Report, Annual Series, No. 1136). 639

Bulgaria:

No. 1300. Report for the Year 1892 on the Trade, &c., of Bulgaria (reference to previous Report, Annual Series, No. 1110). 699

Chile:

No. 1311. Report for the Year 1892 on the Trade of the Consular District of Valparaiso (reference to previous Report, Annual Series, No. 227). 743

China:

No. 1187. Report for the Year 1892 on the Trade of Chefoo (reference to previous Report, Annual Series, No. 1066). 769

No. 1192. Report for the Year 1892 on the Trade of Tainan (reference to previous Report, Annual Series, No. 1061). 789

No. 1193. Report for the Year 1892 on the Trade of Amoy (reference to previous Report, Annual Series, No. 1012). 805

No. 1197. Report for the Year 1892 on the Trade of Pakhoi (reference to previous Report, Annual Series, No. 1037). 821

No. 1199. Report for the Year 1892 on the Trade of Kiungchow (reference to previous Report, Annual Series, No. 1026). 833

No. 1202. Report for the Year 1892 on the Trade of Swatow (reference to previous Report, Annual Series, No. 1034). 851

No. 1211. Report for the Year 1892 on the Trade of Ichang (reference to previous Report, Annual Series, No. 1036). 867

No. 1212. Report for the Year 1892 on the Trade of Wênchow (reference to previous Report, Annual Series, No. 1010). 877

No. 1216. Report for the Year 1892 on the Trade of Foochow (reference to previous Report, Annual Series, No. 1038). 893

No. 1217. Report for the Year 1892 on the Trade of Wuhu (reference to previous Report, Annual Series, No. 1048). 909

No. 1228. Report for the Year 1892 on the Trade of Chinkaing (reference to previous Report, Annual Series, No. 905). 925

China—*continued.*

No. 1229. Report for the Year 1892 on the Trade of Newchwang. p. 941

No. 1230. Report for the Year 1892 on the Trade of Chungking (reference to previous Report, Annual Series, No. 1097. 953

No. 1231. Report for the Year 1892 on the Trade of Hankow (reference to previous Report, Annual Series, No. 1044). 971

No. 1235. Report for the Year 1892 on the Trade of Ningpo (reference to previous Report, Annual Series, No. 775). 987

No. 1258. Report for the Year 1892 on the Trade of Tientsin (reference to previous Report, Annual Series, No. 725). 997

No. 1266. Report for the Year 1892 on the Trade of Shanghai (reference to previous Report, Annual Series, No. 1101). 1013

No. 1280. Report for the Year 1892 on the Foreign Trade of China (reference to previous Report, Annual Series, No. 41). 1049

No. 1284. Report for the Year 1892 on the Trade of Canton (reference to previous Report, Annual Series, No. 1107). 1097

No. 1287. Supplementary Notes for the Year 1892 on the Foreign Trade of China (reference to previous Report, Annual Series, No. 1280). 1107

No. 1324. Report for the Year 1892 on the Trade of Kiukiang (reference to previous Report, Annual Series, No. 1013). 1111

FOREIGN OFFICE.

1892.

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No. 1144.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

AFRICA.

REPORT FOR THE YEAR 1891-92

ON THE

TRADE OF THE OIL RIVERS PROTECTORATE (OLD CALABAR).

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1063.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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No. 1144.

Reference to previous Report, Annual Series No. 1063.

AFRICA.

OLD CALABAR.

Sir Claude MacDonald to the Earl of Rosebery.

My Lord, *London, December* 7, 1892.

I HAVE the honour to forward herewith a Report on the Customs work done during the year ending July 31, 1892, in Her Majesty's Protectorate of the Oil Rivers.

The Report is supported by Tables supplying information which may be interesting to the commercial world.

The Customs Department under the superintendence of Mr. Vice-Consul T. A. Wall has worked smoothly and well.

I have, &c.

(Signed) CLAUDE M. MACDONALD.

Vice-Consul T. A. Wall to Sir Claude MacDonald, K.C.M.G.

Sir, *Old Calabar, August* 1, 1892.

I HAVE the honour to submit herewith the first Annual Report on the Trade of the Oil Rivers Protectorate, with the appended Returns of the Customs Department for the period from August 1, 1891, to July 31, 1892.

I have, &c.

(Signed) T. A. WALL.

Report on the Trade of the Oil Rivers Protectorate for the Year 1891–92.

ABSTRACT of Contents.

	PAGE
Results, staff stations; comparative statements	2
Returns; value of imports; duty	3
Revision of gallonage	3
Duty on bonded goods	3
Trading Chiefs	4
Produce, value of imports and exports	4
Shipping	4, 18, 19, 20
Imports, "dutiable"	6, 7
„ "free"	8, 14
Exports	15, 18, 19
Total value, imports, exports, and duty	18, 19
Comparison of duties	21, 22
Proclamation, imposing duties	23
Tariff	24
Classification list, imports	25, 29
„ exports	30, 31

Results. The results of the year ended July 31 as regards imports and exports are in excess in proportion to the first five months. The duty collected, however, fell short of the estimate.

Native officers. Under the supervision of the Vice-Consul in each river the duties of the Customs Department were performed by native officers, chiefly from Sierra-Leone and the Gold Coast. These officers had a very limited time to prepare themselves for their work; but I am glad to be able to report the good services rendered by them, both in the indoor and outdoor branches.

Staff. The staff consists at present of 1 chief clerk, 1 statistical officer, and 32 officers arranged into classes according to their qualifications where best fitted at the out-stations. It is with much satisfaction that I can refer to communications received from the Vice-Consuls generally testifying to the willingness and efficiency of these officers.

Stations. Customs stations have been established at Old Calabar, Opobo, Bonny, Brass, Benin, and Warri. As soon as it is practicable, with the development of trade, I would venture to propose that additional stations be opened at the various sub-ports, especially so at New Calabar, thus enabling vessels to proceed there direct without touching at Bonny.

Comparative statement. A comparative statement of the value of Imports and Exports and Duties collected in each district is shown in Table C.

The adoption of the special measures directed to be taken in the collection of duties as well as in other matters connected with merchants, and of masters of vessels entering the Protectorate, have considerably lessened the primary difficulties in the way of establishing a recognised system both at Old Calabar and the other rivers.

Returns. The appended returns prepared will, I trust, assist much in forming a correct estimate of the trade carried on in these rivers, taking into account the fact that prior to August 1 last all details

of trade were illusionery, there being no Custom-Houses nor any means of obtaining authentic information of the business carried on in the Protectorate. The transactions of the year cannot, therefore, I regret to say, be compared with previous years.

Imports.

The imports into the Protectorate, classified in the returns (Tables A and A 1) under "Dutiable" and "Free" articles, comprise nearly every variety of European manufacture. British trade is, of course, considerable, and appears susceptible of marked development.

I venture to enclose a comparative statement, Table H, showing the rate of duty on imports into the Protectorate, and those of other Colonies and places on the coast as far as I have, at present, been able to collect them.

Value of imports.

Judging from the results of the first five months I estimated the annual value of imports at 709,269*l.* The returns now presented show an increase of 39,154*l.*, the total value for the year being 748,423*l.* 12*s.* 8*d.*

Table D shows the total value of imports from, and exports to, the United Kingdom and other countries. When means for reaching the interior districts are secured, trade will be pushed further inland, bringing into possession the unlimited resources of these vast waterways, and making room for a larger introduction of British and other manufactures.

Duty.

The total duty collected for the year amounted to 87,696*l.* 2*s.* 4*d.* The actual duty, after deducting the rebates on dutiable articles paid to Kroo boys, overcharges refunded, &c., as shown in the schedule, is 83,779*l.* 6*s.* 10*d.* Besides the amount of 2,093*l.* 10*s.* refunded at Old Calabar on goods imported by the steamship "Coomassie." A quantity of cargo by the same vessel was declared "free" at other ports, on which no duty was collected. The duty recoverable thereon was 1,498*l.* 16*s.*

Revision of gallonage.

It must be taken into consideration that duty on spirits assessed upon the old wine gallon from August 1 to December 31, 1891, was collected on the Imperial gallon from January 1, 1892. The total quantity imported under the latter arrangement was 544,494 gallons. Duty amounting to 5,444*l.* 19*s.* was consequently lost. It is not surprising, therefore, that with the increase in the value of imports, the duty fell in proportion to the first five months.

Duty on Bonded goods.

There were goods with a duty of 8,897*l.* 18*s.* 2*d.* in Bond on July 31, 1892.

I have the honour to enclose copy of the revised Customs tariff, Table J, upon which the revenue has been assessed, together with a copy of the classified list, Table K, of imports and exports of the Protectorate.

Some idea may be formed of the general standard of the Natives of the Oil Rivers, when it is taken into consideration that, with very few exceptions, the articles enumerated in the returns of imports are intended for the native markets only, and consumed almost exclusively by them.

Trading Chiefs.

The Chiefs and other well-to-do natives are generally engaged in a "middleman" trade, obtaining goods from the merchants and sending their "boys" or domestics with them to the interior districts, in exchange for the various products. The debts contracted under these circumstances are invariably the pretext for closing the markets and interior roads, the seizure and detention of persons; a system which, fortunately, is being speedily repressed.

Exports.

In the return of exports, Table B, I have given a detailed list of the principal articles, viz.: palm oil, palm kernels, indiarubber, ebony, and ivory, products of the Oil Rivers exported from our waterways in exchange for European commodities.

Produce.

The following quantities were exported during the year: palm oil, 9,633,867 gallons; palm kernels, 32,174 tons; india-rubber, 373,839 lbs.; ebony, 443 tons; ivory, 2,737 lbs. These figures represent a very small portion of the inexhaustible products of the Protectorate.

It is a fact worthy of notice that the proportion of kernels to oil exported is exceedingly low as compared with Lagos and other places, this shows that the kernel trade is capable of development.

The total value of all articles exported amounting to 780,139*l.* 17*s.* 1*d.*, 31,716*l.* 4*s.* 5*d.* over the value of imports and 133,969*l.* 17*s.* 7*d.* in excess of the estimate.

Value of imports and exports.

The total value of trade, exports and imports together, is 1,528,563*l.* 9*s.* 9*d.*

Number and tonnage of vessels.

In Table G is shown the number of vessels with tonnage entered and cleared in each district, and a general statement of British vessels entered and cleared in the Protectorate from and to Great Britain and foreign countries.

During the year under review I have twice inspected the out-stations, first in September, 1891, and again in February, 1892, furnishing means for the better prosecution of the work of the Department. A marked improvement was the result on my second visit, and I believe a substantial foundation has now been built up for the further development and success of the Department under my control.

In presenting this report I am aware there is much to be desired as regards its completeness; but the difficulties attendant

on pioneering efforts and the peculiar circumstances under which the Department was organised will, I trust, be an excuse for all shortcomings.

My thanks are especially due to the Vice-Consuls in the several districts for their willing co-operation, and the assistance rendered in the discharge of the various and somewhat complex duties of my Department.

Table A.—Dutiable Imports into the Oil Rivers Protectorate, with Quantity, Value, and Duty, from August 1, 1891, to July 31, 1892.

Articles.	Countries whence Imported.		Quantity.	Value.	Duty.
				£ s. d.	£ s. d.
Ale, beer, and porter	United Kingdom ...	Doz. quarts	3,470	1,378 10 9	86 15 0
	Germany	,,	1,843	618 13 5	46 14 0
	Holland	,,	456	135 11 4	11 8 0
	Grand Canary ...	,,	16	8 0 0	0 8 0
	Leeward Coast ...	,,	4	1 3 5	0 2 0
Total	...	...	5,789	2,141 18 11	145 7 0
Brandy	United Kingdom ...	Gallons ...	606	349 5 8	30 3 0
	Germany	,, ...	383	83 3 4	19 3 0
Total	...	...	989	432 9 0	49 6 0
Gin and Geneva ...	United Kingdom ...	Gallons ...	69,095	7,276 7 10	3,453 18 0
	Germany	,, ...	240,651	27,296 2 11	8,385 14 0
	Holland	,, ...	526,376	52,192 5 1	22,314 0 0
	Windward Coast ...	,, ...	2,450	272 16 6	122 10 0
	Leeward Coast ...	,, ...	7	0 13 10	0 2 0
Total	...	...	838,574	67,038 6 2	34,276 4 0
Gunpowder	United Kingdom ..	Lbs. ...	665,785	10,931 14 9	5,293 4 2
Guns	,, ...	Number ...	16,398	8,267 8 2	957 17 6
	Germany ...	,, ...	14,629	6,061 17 3	1,103 9 0
	Holland	,, ...	31,145	15,003 8 11	2,454 0 0
	Grand Canary ...	,, ...	100	45 8 4	5 0 0
Total	...	...	62,272	29,378 2 8	4,520 6 6
Lead	United Kingdom ...	Lbs. ...	87,142	681 18 7	370 13 6
	Germany	,, ...	3,840	30 0 0	16 0 0
Total	...	...	90,982	711 18 7	386 13 6
Liqueurs	United Kingdom ...	Gallons ...	905	147 3 2	44 10 0
	Germany	,, ...	8,437	1,432 6 2	346 17 0
	Holland	,, ...	2,672	477 3 0	72 14 0
Total	...	...	12,014	2,056 12 4	464 1 0
Rum	United Kingdom ...	Gallons ...	206,565	13,123 16 1	9,860 17 0
	Germany	,, ...	266,606	18,707 18 11	12,351 6 0
	Holland	,, ...	25,231	1,767 10 3	730 9 0
	Grand Canary ...	,, ...	11,875	868 0 0	593 15 0
	Leeward Coast ...	,, ...	1,900	118 15 0	95 0 0
Total	...	...	512,177	34,586 0 3	23,631 7 0
Salt	United Kingdom ...	Tons ...	6,536	10,861 10 5	1,247 4 0
	Germany	,, ...	36	46 16 6	7 4 0
	Holland	,, ...	34	75 0 0	6 16 0
Total	...	...	6,606	10,983 6 5	1,261 4 0
Spirits not enumerated	United Kingdom ...	Gallons ...	13	12 3 5	0 13 0
Tobacco	United Kingdom ..	Lbs. ...	2,190,542	48,444 19 8	17,440 5 5
Whiskey	United Kingdom ...	Gallons ...	2,531	974 1 1	123 6 0
	Germany ..	,, ...	10	7 6 6	0 10 0
	Holland	,, ...	5	2 14 0	0 5 0
	Leeward Coast ...	,, ...	6	3 16 9	0 6 0
	Grand Canary ...	,, ...	4	2 12 6	0 4 0
Total	...	...	2,556	990 10 10	124 11 0

DUTIABLE Imports into the Oil Rivers Protectorate, with Quantity, Value, and Duty, from August 1, 1891, to July 31, 1892—continued.

Articles.	Countries whence Imported.		Quantity.	Value.	Duty.
				£ s. d.	£ s. d.
Wines	United Kingdom ...	Doz. quarts	3,726	2,692 1 0	93 14 9
	Germany	,, ...	131	89 8 8	3 5 6
	Grand Canary ...	,, ...	10	6 0 0	0 5 0
	Windward Coast ...	,, ...	17	7 6 0	0 8 6
	Leeward Coast ...	,, ...	50	75 0 0	0 2 6
Total	...	...	3,934	2,869 15 8	97 16 3
Articles for repair or return (guns) ...	Germany	Number ...	520	106 13 0	Free
Grand total ...	...	...	...	230,684 11 8	87,695 18 10

Table A1.—PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892.

Articles.	Countries whence Imported.		Quantity.	Value.
				£ s. d.
Ammunition	United Kingdom ..	Packages	628	444 17 1
	Germany	„	3	11 6 6
Total	..	..	631	456 3 7
Anchors and chains ..	United Kingdom .	Number	218	320 13 6
Animals, living ..	United Kingdom ..	„	19	68 10 0
	Grand Canary ..	„	5	197 0 0
Total	..	..	24	265 10 0
Bags and sacks ..	United Kingdom ..	Packages	626	4,538 3 7
	Germany	„	36	292 3 10
	Windward Coast ..	„	4	37 10 0
Total	..	..	666	4,867 17 5
Beads	United Kingdom ..	Packages	1,097	14,289 3 6
	Germany	„	90	2,000 13 3
	Holland	„	22	526 1 1
Total	..	..	1,209	16,815 17 10
Bedding	United Kingdom ..	Packages	103	704 11 10
	Germany	„	10	8 5 10
Total	..	..	113	712 17 8
Beef and pork ..	United Kingdom ..	Packages	3,982	7,957 2 11
	Germany	„	107	219 0 1
	Windward Coast ..	„	5	7 2 9
Total	..	..	4,094	8,183 5 9
Bitters	United Kingdom ..	Packages	50	76 17 11
	Germany	„	9	1 17 0
Total	..	..	59	78 14 11
Boats and canoes ..	United Kingdom ..	Number	153	2,233 0 0
	Germany	„	1	85 0 0
Total	..	..	154	2,318 0 0
Books, printed ..	United Kingdom ..	Packages	70	146 19 0
	Germany	„	3	15 8 2
Total	..	..	73	162 7 2
Brass and copperware	United Kingdom ..	Packages	7,754	14,582 10 9
	Germany	„	71	351 8 7
Total	..	..	7,825	14,933 19 4

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value.		
				£	s.	d.
Bread and biscuit ..	United Kingdom ..	Packages	8,764	8,193	11	8
	Germany	„	9	20	6	0
Total	..	..	8,773	8,213	17	8
Building materials ..	United Kingdom ..	Packages	30,149	9,570	4	6
	Germany	„	237	367	6	4
	France	„	3	2	1	6
	Holland	„	10	6	15	5
	Windward Coast ..	„	145	115	16	0
	Leeward Coast ..	„	350	101	9	8
Total	..	..	30,894	10,163	13	5
Candles	United Kingdom ..	Packages	3,221	1,033	13	4
	Germany	„	888	394	8	5
	Holland	„	1,240	674	14	11
	Windward Coast ..	„	40	20	10	0
	Leeward Coast ..	„	1		12	0
Total	..	..	5,390	2,123	18	8
Cartridges	United Kingdom ..	Number	34,010	134	19	11
	Germany	„	400	2	10	0
Total	..	..	34,410	137	9	11
Clocks and watches ..	United Kingdom ..	Packages	82	268	0	10
	Germany	„	5	39	0	7
Total	..	..	87	307	1	5
Clothing, Military and Houssa	United Kingdom ..	Packages	8	288	14	0
Coals	United Kingdom ..	Tons	961	1,411	4	0
	Germany	„	211	197	3	6
	Holland	„	111	141	18	8
Total	..	..	1,283	1,750	6	2
Combs and brushes ..	United Kingdom ..	Packages	216	255	6	0
	Germany	„	4	3	0	0
	Grand Canary ..	„	2		2	6
Total	..	..	222	258	8	6
Coopers' stores ..	United Kingdom ..	Packages	66,206	45,146	17	11
	Germany	„	2,875	2,075	10	0
	Holland	„	7,174	4,901	15	7
	Windward Coast ..	„	1		10	0
Total	..	..	76,256	52,124	13	6
Cordage and twine ..	United Kingdom ..	Packages	471	1,217	18	11
	Germany	„	2	7	4	0
Total	..	..	473	1,225	2	11

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value. £ s. d.
Cotton goods.. ..	United Kingdom ..	Packages	9,556	175,289 3 1
	Germany	„	57	722 16 8
	Holland	„	2	32 7 0
	Windward Coast ..	„	68	1,332 10 2
Total	..	..	9,683	177,376 16 11
Drugs and medicines	United Kingdom ..	Packages	404	2,128 18 10
	Germany	„	3	19 1 11
	Holland	„	2	36 17 4
Total.. ..	..	..	409	2,184 18 1
Earthenware . ..	United Kingdom ..	Packages	5,468	9,713 12 8
	Germany	„	64	253 7 5
	Holland	„	1	1 8 2
	Grand Canary ..	„	2	0 4 0
	Windward Coast ..	„	10	72 8 4
Total	..	..	5,545	10,041 0 7
Flints..	United Kingdom .	Packages	370	436 8 2
Flour..	United Kingdom ..	„	159	256 18 11
	Germany	„	7	18 10 6
Total	..	..	166	275 9 5
Furniture	United Kingdom ..	Packages	525	2,422 7 2
	Germany	„	28	183 10 4
	Leeward Coast ..	„	1	0 2 6
Total	..	..	554	2,606 0 0
Glassware	United Kingdom ..	Packages	688	2,270 14 6
	Germany ..	„	143	501 15 2
	Holland	„	109	184 0 10
	Windward Coast ..	„	25	16 5 0
	Leeward Coast ..	„	2	0 5 0
Total	..	..	967	2,973 0 6
Haberdashery ..	United Kingdom ..	Packages	718	4,190 12 3
	Germany	„	11	87 2 1
	Grand Canary ..	„	1	1 0 0
	Windward Coast ..	„	4	16 14 2
Total	..	..	734	4,295 8 6
Hardware and cutlery	United Kingdom ..	Packages	92,673	51,612 15 8
	Germany	„	5,052	13,452 3 0
	Holland	„	4,492	5,106 8 11
	Windward Coast .	„	2,399	166 18 8
	Leeward Coast ..	„	902	26 15 6
Total	..	..	105,518	70,365 1 9

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value.
				£ s. d.
Indiarubber goods ..	United Kingdom ..	Packages	41	114 3 5
	Germany	,,	1	0 3 0
Total	..	..	42	114 6 5
Jewellery and plate ..	United Kingdom ..	Packages	117	801 5 8
	Germany	,,	4	82 0 0
	Holland	,,	1	14 8 3
Total	..	..	122	897 13 11
Kerosine and other illuminating oils	United Kingdom ..	Packages	460	294 3 0
	Germany	,,	106	38 12 9
	Holland	,,	45	17 17 3
	Grand Canary ..	,,	159	75 13 0
	Windward Coast ..	,,	87	59 2 0
Total	..	..	857	485 8 0
Lamps	United Kingdom ..	Packages	180	1,024 2 11
	Germany	,,	22	86 18 5
	Holland	,,	1	4 7 4
Total	..	..	203	1,115 8 8
Leather goods ..	United Kingdom ..	Packages	279	921 0 8
	Germany	,,	4	28 14 3
	Grand Canary ..	,,	3	18 11 0
	Windward Coast ..	,,	2	15 17 4
Total	..	..	288	984 3 3
Lumber	United Kingdom ..	Feet Sup.	252,528	3,236 10 1
	Germany	,,	8,625	50 4 7
	Holland	,,	1,716	3 19 4
Total	..	..	262,869	3,290 14 0
Machinery	United Kingdom ..	Packages	155	699 0 6
	Germany	,,	7	20 11 8
	Windward Coast ..	,,	2	3 0 0
Total	..	..	164	722 12 2
Mineral waters ..	United Kingdom ..	Packages	840	1,119 1 8
	Germany	,,	5,130	1,083 19 2
	Leeward Coast ..	,,	3	4 17 0
Total	..	..	5,973	2,207 17 10
Oars and paddles ..	United Kingdom ..	Number	384	195 18 5

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value. £	s.	d.
Paints and oils ..	United Kingdom ..	Packages	1,514	1,513	2	4
	Germany	„	106	102	5	3
	Grand Canary ..	„	43	21	2	0
	Windward Coast ..	„	11	15	13	6
	Leeward Coast ..	„	179	67	5	0
Total	..	..	1,853	1,719	8	1
Perfumery	United Kingdom ..	Packages	414	931	6	2
	Germany	„	23	134	1	9
	Holland	„	4	30	2	6
	Grand Canary ..	„	5	12	15	8
	Leeward Coast ..	„	1	0	15	0
Total	..	..	447	1,109	11	1
Photographic apparatus	United Kingdom ..	Packages	53	116	13	4
	Grand Canary ..	„	2	0	4	0
	Windward Coast ..	„	1	15	8	0
Total	..	..	56	132	5	4
Percussion caps ..	United Kingdom ..	Number..	32,810,500	1,824	18	10
	Germany	„	560,000	65	19	3
Total	..	..	33,370,500	1,890	18	1
Pictures	United Kingdom ..	Packages	50	94	13	9
	Germany	„	1	0	12	0
Total	..	..	51	95	5	9
Pipes, clay, and all kinds	United Kingdom ..	Packages	1,837	526	12	2
Poultry	United Kingdom ..	Number	265	17	10	0
	Windward Coast ..	„	294	58	4	0
	Leeward Coast ..	„	30	1	8	0
Total	..	..	589	77	2	0
Provisions	United Kingdom ..	Packages	6,310	14,927	10	11
	Germany	„	387	743	10	1
	Holland .. .	„	15	76	9	4
	Grand Canary ..	„	40	5	7	0
	Windward Coast ..	„	73	33	13	0
	Leeward Coast ..	„	34	28	14	5
Total	..	..	6,859	15,815	4	9
Rice	United Kingdom ..	Cwts. ..	30,798	15,293	18	8
	Germany	„	780	356	14	11
	Windward Coast ..	„	6	7	17	6
	Leeward Coast ..	„	9	6	5	0
Total	..	..	31,593	15,664	16	1

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value.		
				£	s.	d.
Silk goods	United Kingdom ..	Packages	332	15,886	3	1
	Germany	„	27	792	13	3
	Windward Coast ..	„	1	24	4	0
Total	..	..	360	16,703	0	4
Soap	United Kingdom ..	Packages	42,192	4,710	6	3
	Germany	„	412	32	6	10
	Leeward Coast ..	„	1	0	4	6
Total.. ..	..	..	42,605	4,742	17	7
Specie	United Kingdom ..	Packages	126	20,239	9	0
	Germany	„	5	245	0	0
	Windward Coast ..	„	4	475	0	0
	Leeward Coast ..	„	2	271	15	0
Total	..	..	137	21,231	4	0
Stationery	United Kingdom ..	Packages	380	925	3	7
	Germany	„	5	5	15	6
Total	..	..	385	930	19	1
Steam launches ..	United Kingdom ..	Number..	3	2,050	0	0
Tar	United Kingdom ..	Packages	158	131	0	7
	Germany	„	8	9	8	11
Total	..	..	166	140	9	6
Tobacco, manufactured	United Kingdom ..	Lbs. ..	976	114	6	4
	Germany	„	13	8	1	6
	Holland	„	158	28	6	0
Total	..	..	1,147	150	13	10
Umbrellas	United Kingdom ..	Packages	277	1,569	10	2
	Germany	„	5	16	9	2
Total	..	..	282	1,585	19	4
Wearing apparel ..	United Kingdom ..	Packages	1,031	11,927	8	9
	Germany	„	23	223	13	7
	Sierra Leone ..	„	1	1	15	9
	Windward Coast ..	„	4	37	2	0
	Leeward Coast ..	„	1	3	10	0
Total	..	..	1,060	12,193	10	1
Woollen goods ..	United Kingdom ..	Packages	352	7,992	17	4
	Germany	„	1	32	6	0
	Windward Coast ..	„	1	21	18	9
Total	..	..	354	8,047	2	1

PRINCIPAL Imports (free) into the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892 —continued.

Articles.	Countries whence Imported.		Quantity.	Value.		
				£	*s.*	*d.*
Value, principal articles	..	..	..	511,213	9	1
Value, other articles	..	..	..	6,525	11	11
Total	..	..	..	517,739	1	0
Value, imports dutiable	..	..	..	230,684	11	8
Value, imports free	..	..	..	517,739	1	0
Total value of imports	..	..	..	748,423	12	8

Table B.—EXPORTS from the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892.

Principal Articles.	Countries to which Exported.		Quantity.	Value. £ s. d.
NATIVE PRODUCTS.				
Cocoa	United Kingdom	Lbs.	21,340	304 9 9
	France	„	420	4 0 0
Total			21,760	308 9 9
Cora	United Kingdom	Tons	7	61 0 0
	Germany	„	1	10 0 0
	Grand Canary	„	2	12 0 0
	Windward Coast	„	1	5 0 0
Total			11	88 0 0
Coffee	United Kingdom	Lbs.	2,798	53 6 3
Cola nuts	Windward Coast	Packages	2	10 0 0
Ebony	United Kingdom	Tons	236	904 15 7
	France	„	71	294 17 6
	Germany	„	136	518 6 6
Total			443	1,717 19 7
Gum copal	United Kingdom	Lbs.	756	22 1 0
Ivory	United Kingdom	„	2,737	1,023 1 5
Palm kernels	United Kingdom	Tons	11,946	101,684 14 8
	France	„	273	2,467 0 0
	Germany	„	19,468	166,605 8 9
	Grand Canary	„	322	2,544 15 0
	Windward Coast	„	165	1,455 0 0
Total			32,174	274,756 18 5
Palm oil	United Kingdom	Imp. Gals.	6,237,518	305,325 2 2
	France	„	2,445,261	112,041 4 4
	Germany	„	609,541	29,802 13 3
	Grand Canary	„	292,497	13,440 12 6
	Windward Coast	„	49,050	2,250 0 0
Total			9,633,867	462,859 12 3
Rubber	United Kingdom	Lbs.	373,839	15,536 14 8
BRITISH AND FOREIGN MANUFACTURES.				
Ale, beer, and porter	Niger Territories	Doz. Bots.	17	11 3 2
Beads	United Kingdom	Packages	2	120 0 0
	Germany	„	4	406 0 0
	Niger Territories	„	9	79 19 2
	Windward Coast	„	1	15 0 0
Total			16	620 19 2

EXPORTS from the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892—continued.

Principal Articles.	Countries to which Exported.		Quantity.	Value. £ s. d.
BRITISH AND FOREIGN MANUFACTURES—continued.				
Beef and pork ..	Niger Territories..	Packages	18	41 16 5
Building materials ..	Niger Territories..	„ ..	1,139	406 18 6
Bread and biscuits ..	Niger Territories..	„ ..	84	33 8 10
Coopers' stores ..	Niger Territories..	„ ..	738	489 2 9
Cotton goods ..	United Kingdom .	Packages	2	4 3 0
	Germany	„ ..	1	0 8 0
	Niger Territories .	„ ..	570	10,461 17 4
	Windward Coast ..	„ ..	6	204 3 5
	Leeward Coast ..	„ ..	478	44 14 8
Total	..	..	1,057	10,715 6 5
Candles	Niger Territories..	Packages	41	22 12 0
	Leeward Coast ..	„ ..	28	2 4 4
Total	..	..	69	24 16 4
Cordage and twine ..	Niger Territories..	Packages	1	1 10 0
	Leeward Coast ..	„ ..	17	1 9 9
Total	..	..	18	2 19 9
Earthenware.. ..	Niger Territories..	Packages	69	33 6 0
Furniture	Niger Territories..	„ ..	2	9 19 8
Gin and Geneva . ..	Kroo Coast ..	Gallons ..	845	115 18 4
	Niger Territories .	„ ..	24,946	2,280 18 2
	Leeward Coast ..	„ ..	472	67 8 2
Total	..	..	26,263	2,464 4 8
Guns	Kroo Coast ..	Number..	359	172 12 10
	United Kingdom ..	„ ..	61	88 18 6
	Niger Territories .	„ ..	26	42 15 7
	Leeward Coast ..	„ ..	20	5 11 10
Total . ..	..	..	466	316 18 9
Gunpowder	Kroo Coast ..	Lbs. ..	9,717	202 8 11
	Niger Territories..	„ ..	18,000	272 18 6
	Leeward Coast ..	„ ..	820	11 5 7
Total	..	..	28,537	486 13 0
Hardware and Cutlery	United Kingdom..	Packages	31	378 2 0
	Niger Territories..	„ ..	1,681	693 12 5
	Windward Coast ..	„ ..	5	10 19 3
	Leeward Coast ..	„ ..	1,235	19 17 2
Total	..	..	2,952	1,102 10 10

EXPORTS from the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892—continued.

Principal Articles.	Countries to which Exported.		Quantity.	Value. £ s. d.
BRITISH AND FOREIGN MANUFACTURES—continued.				
Jewellery and plate ..	Niger Territories ..	Packages	7	56 1 4
Kerosine, &c. ..	Niger Territories ..	,, ..	16	8 14 9
	Windward Coast ..	,, ..	10	25 15 0
Total	..	..	26	34 9 9
Lead	Kroo Coast ..	Lbs. ..	488	5 13 2
	Niger Territories ..	,, ..	290	2 3 11
	Leeward Coast ..	,, ..	438	4 4 9
Total	..	..	1,216	12 1 10
Lumber	United Kingdom ..	Ft. Super.	276	2 0 0
	Niger Territories ..	,, ..	8,117	58 0 11
Total	..	..	8,393	60 0 11
Leather goods ..	United Kingdom ..	Packages	1	5 5 0
	Niger Territories ..	,, ..	1	5 3 6
	Windward Coast .	,, ..	1	4 8 10
Total	..	..	3	14 17 4
Machinery	United Kingdom ..	Packages	1	10 10 0
	Niger Territories	,, ..	1	5 0 0
Total	..	..	2	15 10 0
Provisions	Niger Territories ..	Packages	304	355 12 3
	Windward Coast ..	,, ..	1	1 16 0
Total	..	..	305	357 8 3
Paints and Oil ..	Niger Territories ..	Packages	39	6 9 0
Rum	Kroo Coast ..	Gallons ..	2,273	460 6 3
	Niger Territories ..	,, ..	4,314	148 2 10
	Leeward Coast ..	,, ..	84	6 0 0
Total	..	..	6,671	614 9 1
Rice	Niger Territories .	Cwts. ..	200	134 8 11
Revolvers and pistols	Gold Coast ..	Number .	100	38 10 10
Salt	Niger Territories ..	Tons ..	348	698 9 5
Specie	United Kingdom ..	Packages	2	34 0 0
Silk goods	United Kingdom ..	,, ..	2	90 0 0
	Germany	,, ..	1	1 12 0
	Niger Territories ..	,, ..	[illegible]	222 11 8
	Leeward Coast ..	,, ..	33	7 11 8
Total	..	..	45	321 15 4

EXPORTS from the Oil Rivers Protectorate, with Quantity and Value, from August 1, 1891, to July 31, 1892—continued.

Principal Articles.	Countries to which Exported.		Quantity.	Value.
				£ s. d.
BRITISH AND FOREIGN MANUFACTURES—continued.				
Tobacco	Kroo Coast ..	Lbs. ..	1,149	33 8 5
	Niger Territories..	,, ..	21,346	367 15 1
	Leeward Coast ..	,, ..	195	7 15 1
Total.. ..	..	..	22,690	408 18
Umbrellas, &c. ..	Niger Territories..	Packages	2	39 15 10
Whiskey	Niger Territories..	Gallons ..	15	5 3 6
Wines	Niger Territories..	Doz. Bots.	111	82 2 0
Woollen goods ..	Windward Coast ..	Packages	1	44 4 5
Wearing apparel ..	Niger Territories..	,, ..	8	102 9 10
	Leeward Coast ..	,, ..	203	11 16 11
Total . ..	..	..	211	114 6 9
Produce of the Oil Rivers— Value	..	..	..	756,376 3 4
British and foreign manufactures— Value of principal articles ..	..	..	..	19,853 7 4
Value of other articles ..	..	..	..	3,910 6 5
Total.. ..	..	..	..	780,139 17 1

Table C.—RETURN showing Value of Imports and Exports and Duty Collected in each District of the Oil Rivers Protectorate, from August 1, 1891, to July 31, 1892.

District.	Imports.		Exports.	Total Value of Trade.
	Value.	Duty Collected.	Value.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Old Calabar, including Qua Ibo	216,557 1 3	30,015 18 10	217,714 19 3	434,272 16 6
Opobo	161,411 1	24,120 0 1	195,561 5 1	356,972 15 2
Bonny, including New Calabar	196,091 13 11	22,161 19 9	174,704 19 10	370,796 13 9
Brass	40,576 7 10	2,812 15 5	65,579 4 2	106,155 12 0
Benin	74,029 3 5	5,369 7 7	65,141 2 1	139,170 5 6
Warri	59,757 0 2	3,216 0 8	61,438 6 8	121,195 6 10
Total	748,423 12 8	87,696 2 4	780,139 17 1	1,528,563 9 9

Table D.—STATEMENT showing Value of Imports from and Exports to the United Kingdom and other Countries from August 1, 1891, to July 31, 1892.

Countries.	Value.						Total Trade.		
	Imports.			Exports.					
	£	s.	d.	£	s.	d.	£	s.	d.
United Kingdom ..	580,177	0	8	427,268	10	1	1,007,445	10	9
Germany	80,403	1	9	114,807	1	10	195,210	3	7
France	2	1	6	197,352	14	6	197,354	16	0
Holland	81,447	4	9	..			81,447	4	9
Niger Territory ..	..			19,449	15	6	19,449	15	6
Other countries ..	6,394	4	0	21,261	15	2	27,655	19	2
Total	748,423	12	8	780,139	17	1	1,528,563	9	9

Table G.—RETURN showing Number and Tonnage of Vessels Entered and Cleared in each District of the Oil Rivers Protectorate from August 1, 1891, to July 31, 1892.

District.	Entered.		Cleared.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Old Calabar	61	65,942	59	62,998
Opobo	49	60,859	49	60,859
Bonny, including New Calabar	84	99,052	78	90,450
Brass	44	57,326	42	56,051
Benin	46	50,443	45	49,464
Warri	57	68,833	57	68,833

RETURN of British Shipping at the Ports of the Oil Rivers Protectorate in the Year 1891–92 (August 1, 1891, to July 31, 1892).

Direct Trade in British Vessels from and to Great Britain and British Colonies.

Entered.								Cleared.							
Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.	Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.
With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.			With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
105	...	105	123,788	...	123,788	3,413	£ 586,500	93	...	93	111,775	....	111,775	3,057	£ 462,000

Indirect or Carrying Trade in British Vessels from and to other Countries.

Entered.								Cleared.							
Countries whence Arrived.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.	Countries to which Departed.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.
	With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.				With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
Germany* } Holland ... }	26	...	26	24,499	...	24,499	705	£ { 80,000 { 82,000	Germany	28	...	28	27,441	...	27,441	771	£ 115,000
									France†	22	...	22	23,909	...	23,909	662	197,000
Total	26	...	26	24,499	...	24,499	705	162,000	Total	...	...	...	...	...	...	...	312,000

* The above are vessels arriving from Hamburg viâ Rotterdam and Havre, but with no cargo from France.
† 22 vessels cleared for France are those of the 28 to Germany taking cargo for Havre.

Table H.—Comparative Statement of Import Duties in the Oil Rivers Protectorate and other Colonies and Places on the West Coast of Africa.

Rates of Import Duties.

Articles.		Oil Rivers Protectorate.*	Niger Territories.†		Colony of Lagos.		Gold Coast Colony.‡		Colony of Sierra Leone.§	
			Sterling.	Ad val.	Sterling.	Ad val.	Sterling.	Ad val.	Sterling.	Ad val.
		s. d.	£ *s. d.*	Per cent.	£ *s. d.*	Per cent.	*s. d.*	Per cent.	£ *s. d.*	Per cent.
Ale, beer, and porter ..	Per dozen ..	0 6	..	..	0 9	..	..	..	0 1 0	..
„ „ ..	„ imp. gallon	0 3	..	..	0 4½	..	1 0	..	0 0 6	..
Brandy	„ „ ..	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Cigars	„ 1,000 ..	Free.	..	..	5 0	..	..	..	..	..
Cordials	„ imp. gallon	..	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Cowries	„ cwt. ..	Free.	Free.	..	1 0	..	Free.	..	..	7½
Cartridges, filled.. ..	„ 100 ..	(*a*)	..	100	..	5	5 0	..	0 5 0	..
„ unfilled ..	„ „ ..		..	..	..	5	1 0	..	..	7½
Gin and geneva	„ imp. gallon	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Gunpowder	„ barrel ..	..	..	100	2 0	..	..	..	0 6 0	..
„	„ lb.	0 2	..	100	..	..	0 6	..	..	..
Guns, Danes	Each	1 0	..	100	1 0	..	2 0	..	0 2 6	..
„ percussion	„	2 6	..	100	1 0	..	2 0	..	0 4 0	..
„ rifle, muzzle-loaders	„	2 6	..	100	1 0	..	2 0	..	0 5 0	..
„ breech loading, single or double barrelled.. ..	„	(*b*)	..	100	1 0	..	2 0	..	0 10 0	..
„ breech loading rifle	„		..	100	1 0	..	2 0	..	1 0 0	..
Lead	Per lb.	0 1	Free.	..	..	5	0 0½	..	..	7½
Liqueurs	„ imp. gallon	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..

(*a*) Prohibited unless by special permission of Consul-General when free.

(*b*) Prohibited unless by special permission of Consul-General.

Comparative Statement of Import Duties in the Oil Rivers Protectorate and other Colonies and Places on the West Coast of Africa—continued.

Rates of Import Duties—continued.

Articles.		Oil Rivers Protectorate.*	Niger Territories.†		Colony of Lagos.		Gold Coast Colony.‡		Colony of Sierra Leone.§	
			Sterling.	Ad val.	Sterling.	Ad val.	Sterling.	Ad val.	Sterling.	Ad val.
		d.	£ *s.* *d.*	Per cent.	*s.* *d.*	Per cent.	*s.* *d.*	Per cent.	£ *s.* *d.*	Per cent.
Pistols	Each	Free.	..	100	0 6	..	2 0	..	..	7½
Rum	Per imp. gallon	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Salt	„ ton ..	4 0	1 0 0	..	5 0	..	Free.	..	0 3 0	..
Spirits, not being liqueurs, brandy, or cordials ..	„ imp. gallon	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Tobacco, manufactured ..	„ lb.	Free.	0 0 6	..	0 3	..	1 0	..	0 2 0	..
„ unmanufactured	„ „	0 2	0 0 6	..	0 3	..	0 4	..	0 0 4	..
Whiskey	„ imp. gallon	1 0	0 2 0	..	1 0	..	2 6	..	0 2 0	..
Wines (except claret) ..	„ dozen ..	0 6	Free.	..	..	..	..	..	..	..
„ „ ..	„ imp. gallon	..		..	1 0	..	1 0	..	0 1 6	..
„ (claret)	„ dozen ..	0 6		..	..	..	..	..	..	..
„ „	„ imp. gallon	..		..		..	1 0	..	0 1 0	..
All other articles ..	..	Free.	„	..	..	5	..	10	..	7½

* Oil Rivers Protectorate:—An additional duty of 1*d.* per gallon is charged on spirits for every degree of strength over proof.

† Export duties are also levied in the Niger Territories on the following articles, viz., palm oil, 2*d.* per old wine gallon; palm kernels, 2*s.* per cwt.; Shea butter, 1*d.* per old wine gallon; ivory, 1*s.* per lb., and an ad valorem of 20 per cent. on local cost price on all other native produce, including lubi and country cloth.

‡ Gold Coast Colony:—Duty on spirits is assessed on old wine gallons. An additional duty of 1½*d.* per gallon is charged for every degree of strength over proof.

§ Sierra Leone:—Duty on spirits is assessed on proof gallons.

Return J.—A PROCLAMATION Imposing Customs Duties within the Oil Rivers Protectorate in the Fifty-fourth Year of the Reign of Her Majesty Queen Victoria.

Whereas it is necessary to provide for the expenses of the administration of the British Protectorate of the Oil Rivers, notified by Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, Empress of India, &c., &c., on June 5, 1885; and whereas jurisdiction for the purposes of such administration has been conferred by Her Majesty on Major Claude Maxwell MacDonald, under the Africa Order in Council of 1889: Be it enacted as follows:—

I. This Proclamation shall extend to the Oil Rivers Protectorate, and shall commence and come into operation on August 1, 1891.

II. Upon and from and after August 1, 1891, there shall be raised, levied, collected, and paid, for the use of the Government of the Oil Rivers Protectorate, upon goods imported into any part of the Oil Rivers Protectorate, the several Duties of Customs as the same are respectively inserted, described, and set forth in the First Part of the Schedule to this Proclamation annexed: Provided that the goods specified or included in the Second Part of the said Schedule shall be exempt from duty.

III. No Duties of Customs shall be charged or levied upon any Wines, Spirits, or Tobacco, which shall have been warehoused without payment of Duty on the first entry thereof, or duly entered and landed to be warehoused, although not actually deposited in the warehouse, and delivered for exportation and duly exported to any place beyond the limits to which this Proclamation extends.

SCHEDULE.

THE FIRST PART.

TABLE OF DUTIES.

Description.		Amount. s.	d.
On wine, ale, porter, and beer of every sort	Per case of one dozen old wine bottles (or part thereof)	0	6
On brandy, rum, gin, liqueur, and miscellaneous spirits or strong waters, not being sweetened or mixed with any article, so that the degree of strength cannot be ascertained by Sykes' hydrometer, where the degree of strength does not exceed proof ..	Per each imperial gallon (or part thereof)	1	0
And for every degree or part of a degree over proof, an additional duty	Per the imperial gallon (or part thereof)	0	1
On brandy, gin, rum, liqueurs, and miscellaneous spirits or strong waters, these being sweetened or so mixed that the degree of strength cannot be ascertained as aforesaid ..	Per each imperial gallon (or part thereof)	1	0
On unmanufactured tobacco	Per lb. (or part thereof)	0	2
„ gunpowder	„ „ „ ..	0	2
„ salt	Per ton (or part thereof) ..	4	0
„ lead, in any form	Per lb. (or part thereof) ..	0	1
„ flint-lock trade guns, known as "Danes"	Each	1	0
„ percussion-cap or muzzle-loading guns	.. ..	2	6

THE SECOND PART.

TABLE OF EXEMPTIONS.

All goods imported by the Consul-General for his private use.
All goods imported with the sanction of the Consul-General for the service of any public department of the Protectorate.

NOTE.—Customs duties will be paid in British currency, or one half by approved drafts on banks in Great Britain, the other half in currency.

Table K.—List of Articles of Merchandise Imported into the Oil Rivers Protectorate, showing Particulars required in Bills of Entries of every Description (including Beach Permits and the Entries therefor) and for Statistical Accounts and Returns.

N.B.—Value is required in every case.—Importers are requested to see that Place of Origin of Goods is correctly stated.

Number.	Description.		Remarks.
	Specific.		
1	Ale, beer, and porter (all kinds)..	Dozen O.W. Bottles	
2	Brandy	Imp. gallons	
3	Gin and geneva	„	
4	Gunpowder	Lbs.	
5	Guns	Number	
	Lead	Lbs.	
7	Liqueurs	Imp. gallons	
	Cherry cordials	..	See liqueurs
8	Percussion caps	Number ..	Free until further notice
9	Rum	Imp. gallons	
10	Salt	Tons	
11	Tobacco, unmanufactured ..	Lbs.	
12	Whiskey	Imp. gallons	
13	Wines	Dozen O.W. bottles	
	Free.		
	Acids	..	See drugs and medicines
	Alkali	..	See drugs and medicines
1	Ammunition .. .. .. Including shot and shell, not lead, rockets, explosives, fuse and ammunition not otherwise enumerated herein.	Packages	
2	Anchors and chains	Number	
3	Animals (living)	„	
4	Articles for repair or return ..	Packages	
	All articles to be specified. (§ 63 of Regulation No. 1 of 1891)		
	Articles (for use as food) not otherwise enumerated in this list as Provisions.		
	Asphalte	..	See building materials
5	Bags and sacks	Packages	
6	Beads (all kinds)..	„	
7	Bedding	„	
8	Beef and pork (in barrel) ..	„	
9	Bitters	„	
10	Blue, indigo	„	
11	Boats and canoes..	Number	

List of Articles of Merchandise Imported, &c.—continued.

Number.	Description.		Remarks.
	Free—continued.		
12	Books, printed	Packages	
13	Bread and biscuit (all kinds) ..	„	
14	Brass and copperware .. .. Including all articles of brass or copper not otherwise enumerated in this list.	„	
15	Building materials .. .. Including bricks, tiles or slates, shingles, drain pipes, lime, cement, mortar, wooden houses, galvanised sheets, gutters, and nails, roofing felt, tarpauling, and other materials not otherwise enumerated in this list.	„	
16	Candles (all kinds)	„	
	Canvas	..	See cotton goods
17	Carriages and carts	Number	
	Castor oil	..	See drugs and medicines
	Casks, empty	..	See coopers' stores
	Cattle	..	See animals
	Chalk	..	See coopers' stores
	Cigars and cigarettes	..	See tobacco, manufactured
18	Clocks and watches	Packages	
19	Clothing, Military and Houssa ..	„	
20	Coals .. .. Including patent fuel.	Tons	
	Coal tar	..	See tar
	Coin	..	See specie
21	Combs and brushes	Packages	
	Confectionery	..	See provisions
22	Coopers' stores .. .. .. Including casks, shooks, staves, hoops (iron or wood), rivets and tenter hooks.	Packages	
23	Cordage and twine	„	
	Lime juice cordials	..	See mineral waters
24	Corkwood	Packages	
	Corn, indian	..	See provisions
25	Cotton goods	Packages	
26	Drugs and medicines	„	
	D/Johns, empty	..	See miscellaneous
27	Earthenware	Packages	
	Flags	..	See miscellaneous
28	Flints (in kegs)	Packages	
29	Flour (in barrel or kegs) ..	„	
	Fruits (all kinds)	..	See provisions
30	Furniture . .. . Including articles of iron, tin, wood, wicker or other material for use as house or office furniture and not otherwise enumerated in this list.	Packages	
31	Glassware	„	
	Groceries .. .. Including all articles not otherwise enumerated in this list.	..	See provisions

List of Articles of Merchandise Imported, &c.—continued.

Number.	Description.		Remarks.
	Free—continued.		
32	Haberdashery .. .. .. Including millinery, embroidery, needlework, and all minor articles used in making up apparel, and which cannot be accurately returned under the heads of cotton, silk, or woollen goods.	Packages	
	Hair oil	..	See perfumery
33	Hardware and cutlery .. .. Including all articles made of iron, steel, tin, or other metal (except brass, copper, or lead) and not usually classified as furniture or as machinery or otherwise enumerated in this list.	Packages	
	Hats and caps	..	See wearing apparel
34	Indiarubber goods .. .. Including articles made of indiarubber or guttapercha.	Packages	
35	Instruments, musical	,,	
36	Instruments, scientific	,,	
37	Jewellery and plate (gold and silver)	,,	
38	Kerosene and other illuminating oils	,,	
39	Lamps	,,	
40	Leather goods .. .. .. Including boots and shoes, harness, and articles of every description made of leather, or for the preservation of leather.	,,	
	Linen goods	..	See cotton goods
41	Lumber	Feet super.	
42	Machinery (all kinds)	Packages	
	Matches	..	See miscellaneous
	Matchets	..	See hardware and cutlery
	Mats	..	See furniture
	Masts and spars		See lumber
43	Military stores .. .. .. Not otherwise enumerated.	Packages	
44	Mineral waters	,,	
	Mirrors	..	See furniture
	Miscellaneous	..	See end of list
	Oakum	..	See miscellaneou
45	Oars .. .. Including paddles.	Number	
	Oilman's stores	..	See provisions
46	Oils .. .. Not being drug, perfumed, kerosene, or paint oils.	Packages	
47	Paints and oils .. .. .. Including paints, oils, varnish, dryers, putty, and painters' small wares.	,,	
48	Perfumery	,,	

List of Articles of Merchandise Imported, &c.—continued.

Number.	Description.		Remarks.
	Free—continued.		
49	Photographic materials .. .. Including apparatus, and all materials used in photography.	Packages	
50	Pipes (clay and all kinds) ..	,,	
	Pitch	..	See tar
51	Pictures	Packages	
52	Printing materials .. .. Including presses, type, inks, paper, and apparatus and material used in printing.	,,	
53	Poultry	Number	
54	Provisions .. .. Including all articles of food not otherwise enumerated in this list.	Packages	
55	Rice	Cwt.	
	Safes, iron	..	See furniture
	Seeds and plants	..	See miscellaneous
	Sewing machines	..	See machinery
56	Silk goods	Packages	
	Snuff	..	See manufactured tobacco
57	Soap	Packages	
	Soap, fancy	..	See perfumery
58	Specie .. .. Including gold, silver, bronze, or copper coins of all kinds not prohibited.	Packages	
59	Stationery .. .. Including paper, pens, ink, and all articles used as stationery except printers or telegraph stationery.	,,	
60	Steam launches	Number	
61	Straw manufacture	Packages	
62	Tar (all kinds)	,,	
63	Telegraph material .. .. Including wire, posts, apparatus, stationery, and all articles used in telegraphy.	,,	
	Telescope	..	See instruments, scientific
	Tinware	..	See hardware and cutlery
64	Tobacco, manufactured	Lbs.	
	Tombstones	..	See miscellaneous
	Tools	..	See hardware and cutlery
	Toys	..	See miscellaneous
65	Umbrellas, &c. .. .. .. Including parasols, frames, walking sticks, and similar articles.	Packages	
	Vegetables	..	See provisions
66	Velocipedes	Number	
67	Vessels .. .. Including all vessels, steam or sail, with equipment imported, or wrecked and sold in the Protectorate.	Number and Tonnage	

List of Articles of Merchandise Imported, &c.—continued.

Number.	Description.		Remarks.
	Free—continued.		
68	Wearing apparel	Packages	
	Wicker goods	..	See straw manufacture
69	Wood manufacture	Packages	
70	Woollen goods	„	
71	Weights and scales	„	

N.B.—As to bills of entries:—No entry is to be passed for "samples," "sundries," "effects," "private effects," miscellaneous, or goods under any similar indefinite designation.

All goods imported are to be described in bills of entries by their usual trade designation, or as stated in invoice.

As to classification in Accounts and Returns:—Should any article imported not be found enumerated in the foregoing lists, or not fall properly under any general head therein, classification will be permitted under the general head of miscellaneous, but the name of the article must be stated as a sub-head in all returns.

LIST of Articles of Merchandise or Produce Exported from the Oil Rivers Protectorate, showing Particulars Required in all Export Bills of Entries, and for Statistical Accounts and Returns.

N.B.—Value is required in every case. Exporters are requested to take due care that the place of destination is distinctly stated, and that Goods of Foreign origin are not entered as Produce of the Colony.

Number.	Description.		Remarks.
1	Articles for repair or return ..	Packages	
	All articles to be specified.		
	(§ 63 of Regulation No. 1 of 1891).		
	Barks	..	See miscellaneous
	Benniseed	..	See miscellaneous
	Calabashes	..	See miscellaneous
2	Calabar beans	Lbs.	
3	Camwood	„	
4	Cocoa	„	
5	Cocoanuts	Number	
6	Coffee	Lbs.	
7	Cola nuts	Packages	
8	Copra	Tons, cwts.	
	Corn	..	See miscellaneous
9	Cotton, raw	Lbs.	
10	Cow hides	„	
	Curiosities	..	See miscellaneous
11	Drugs (native produce)	Packages	
12	Ebony	Tons	
	Fibre	..	See miscellaneous
	Foreign goods	..	See end of list
13	Ginger	Lbs.	
14	Gold and gold dust	Oz.	
15	Ground nuts	Lbs.	
16	Guinea grains	„	
17	Gum copal	„	
18	Ivory (all kinds)	„	
19	Leopard skins	Number	
20	Lumber (native timber)	Feet super.	
21	Monkey skins	Number	
	Nuts, tiger	..	See miscellaneous
	Nuts, corossos	..	See miscellaneous
	Nuts, other kinds	..	See miscellaneous
22	Ores (not gold)	Tons	
23	Palm kernels	„	
24	Palm oil	Imp. gallons	
	Porcupine quills	..	See miscellaneous
25	Quartz	Tons	
26	Rubber, Ind an	Lbs.	
	Samples	..	See miscellaneous
	Seeds, not enumerated above ..	..	See miscellaneous
	Shea butter	..	See miscellaneous

List of Articles of Merchandise or Produce Exported, &c. —continued.

Number.	Description.		Remarks.
27	Sheep skins (including goat) ..	Number	
28	Specie (gold or silver coin) ..	Packages	
	Specimens..	..	See miscellaneous
	Vegetables	..	See miscellaneous
	Foreign goods— Goods originally imported will, when exported, be entered outwards in accordance with the import list, in respect of designation and quantities.		

N.B.—As to bills of entries:—No entry is to be passed for any goods or articles under any indefinite designation.

All goods or articles are to be described in export entries by the usual trade designation, or failing such, by the local designation.

As to classification in accounts and returns:—Classification of any goods or articles not enumerated in the above list will be permitted under the general head of miscellaneous, but the trade or local designation must be stated as a sub-head in all returns.

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FOREIGN OFFICE.

1893.

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No 1305.

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AFRICA.

REPORT FOR THE YEAR TO MARCH 31, 1893,

ON THE

TRADE OF THE SOMALI COAST.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1208.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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1261.	Damascus	1d.
1262.	Samoa	½d.
1263.	Rio Grande do Sul	2½d.
1264.	Jeddah	1d.
1265.	Vienna	3d.
1266.	Shanghai	3d.
1267.	Bangkok	1½d.
1268.	Meshed	1½d.
1269.	Cadiz	2d.
1270.	Cherbourg	1d.
1271.	Erzeroum	½d.
1272.	Christiania	5d.
1273.	Buda-Pesth	½d.
1274.	New York	3d.
1275.	St. Petersburg	7½d.
1276.	Alexandria	1½d.
1277.	Tokio	2½d.
1278.	Bilbao	3½d.
1279.	Beyrout	6d.
1280.	Pekin	2½d.
1281.	Salvador	1d.
1282.	Malaga	4d.
1283.	Buenos Ayres	8½d.
1284.	Canton	1d.
1285.	Washington	4½d.
1286.	Warsaw	½d.
1287.	Pekin	½d.
1288.	Amsterdam	1d.
1289.	Manila	2½d.
1290.	Bahia	1d.
1291.	Munich	1d.
1292.	Trieste	1½d.
1293.	Tunis	4d.
1294.	Montevideo	1½d.
1295.	Belgrade	2d.
1296.	Teneriffe	1d.
1297.	Stettin	3d.
1298.	Rome	2½d.
1299.	Dantzig	7d.
1300.	Sofia	2½d.
1301.	Mexico	1½d.
1302.	Paris	1d.
1303.	Buenos Ayres	½d.
1304.	Tangier	2½d.

No. 1305.

Reference to previous Report, Annual Series No. 1208

AFRICA.

SOMALI COAST.

Consul Sealy to the Earl of Rosebery.

My Lord, *Aden, September* 12, 1893.

I HAVE the honour to forward herewith the Annual Report on the Trade and Commerce of the Somali Coast Protectorate for the year ended March 31, 1893.

I have, &c.
(Signed) C. W. H. SEALY

Report on the Trade and Commerce of the Somali Coast Protectorate for the Year ended March 31, 1893.

ABSTRACT of Contents.

	PAGE
The country, people, &c.	1
State of trade	1
Summary for 1892-93	2
Berbera and Bulhar—	
Principal articles of trade	3
Zaila—	
Principal articles of trade	4
Cause of decrease in Zaila trade	5
General remarks on trade	6
Trade between flag ports and Aden	6
Jibuti—	
Rules for mining concessions, &c.	6

There is nothing to add to the detailed information given in the Report for 1891-2 regarding the country, people, climate, &c., and trade was confined to the same articles of commerce as in the previous year. The country, people, &c.

Several causes affected the development of trade, such as cholera, Abyssinian raids on the Ogaden, effects of last year's famine, &c. Nevertheless, on the whole, there was an increase State of trade

Summary for 1892–93.

The following is a summary of the trade for the year ended 31st March, 1893, as compared with 1891–92, including treasure and live-stock :—

Description.	Amount.			
	1891-92.	1892–93.	Increase.	Decrease.
	£	£	£	£
Imports—				
Berbera and Bulhar..	167,561	254,501	86,940	..
Zaila	127,895	120,446	..	7,449
Total	295,456	394,947	79,941	..
Exports—				
Berbera and Bulhar..	162,594	191,106	28,512	..
Zaila	186,859	139,822	..	47,037
Total	349,453	330,928	..	18,525
Grand Total ..	644,909	705,875	60,966	..

Berbera and Bulhar trade.

The following table shows the value of the export and import trade of Berbera and Bulhar for five years ending with 1892–93, excluding treasure :—

BERBERA AND BULHAR.

Year.	Value.		
	Imports.	Exports.	Total.
	£	£	£
1888–89..	213,401	207,373	420,775
1889–90..	157,239	162,266	321,505
1890–91..	191,712	141,279	332,991
1891–92..	161,112	119,553	280,664
1892–93..	218,145	182,139	400,284

It will be observed from the above that notwithstanding several occurrences which adversely affected the trade in these ports of the Protectorate, the imports and exports show considerable increases in comparison with the year 1891–92.

RETURN of Principal Articles of Import over 10,000*l.* in Value during the Year 1892–93. Principal articles of trade.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
American grey shirting ..	38,441	34,834	..
Country cloths, miscellaneous	13,578	9,450	..
Rice	79,207	30,423	..
Dates	53,815	14,956	..
Jowari	8,278	4,141	..
Miscellaneous	11,626	3,521	..

RETURN of Principal Articles of Import over 1,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Europe, white long-cloth ..	1,163	..	7,495
Country grey shirting	2,345	..	34,083
Grain, other kinds	323	..	1,229
Flour	2,599	1,046	..
Sugar	2,487	835	..
Tobacco	1,659	245	..

RETURN of Principal Articles of Export over 10,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Gums and resin	25,221	..	5,357
Skins	99,493	50,259	..
Cattle	22,895	1,454	..

RETURN of Principal Articles of Export over 1,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	
Charcoal	923	..	346
Coffee, clean	6,536	3,640	..
Varas, or bastard saffron ..	1,370	695	..
Hides	2,014	.	5,339
Ivory	669	..	710
Ghee	8,593	..	2,952
Feathers..	9,751	..	2,123
Miscellaneous	2,272	.	2,178

Zaila Trade.

Zaila trade

The following table represents the trade of Zaila for five years, ending with 1892–93 :—

Year.	Value.		
	Imports.	Exports.	Total.
	£	£	£
1888–89	104,435	141,806	246,241
1889–90	80,778	142,149	222,927
1890–91	104,313	210,708	315,022
1891–92	101,598	151,721	253,319
1892–93	94,680	132,145	226,825

Principal articles of trade.

RETURN of Principal Articles of Import over 10,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Country grey shirtings.. ..	7,963	..	2,094
American „	22,058	4,117	..
Cotton piece-goods, miscellaneous	15,980	..	3,472
Rice	18,190	..	13,637
Jowari	10,856	2,093	..

RETURN of Principal Articles of Import over 1,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Cloth, cotton, Europe	1,119	..	203
Dates	4,526	53	..
Flour	1,999	..	464
Sugar	654	..	581
Tobacco	711	..	343
Miscellaneous	6,949	344	..

RETURN of Principal Articles of Export over 10,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Coffee	33,775	..	19,791
Skins	29,137	4,859	

RETURN of Principal Articles of Export over 1,000*l.* in Value during the Year 1892–93.

Articles.	Value.		
	Total.	Increase.	Decrease.
	£	£	£
Hides	1,823	..	6,198
Gum	1,018	..	1,169
Ivory	1,218	..	319
Ghee	456	..	626
Shells (mother-o'-pearl) ..	2,301	1,704	..
Varas, or bastard saffron ..	1,313	..	381
Civet	2,177	62	..
Gold ingots	2,616	2,616	..
Sheep and goats	802	..	1,284

Causes of decrease in Zaila trade.

As will be seen from the above figures, there has been a considerable falling-off in the Zaila trade, which may chiefly be attributed to the effects of last year's famine, Abyssinian unrest, and cholera, which committed fearful ravages in Harrar and Abyssinia, where, it is reported, several thousands of people died. The epidemic spread to the ports of Zaila, Bulhar, and Berbera.

The following is a detail of the number of cases, &c.:—

At—	Number of Persons Affected.	Number of Deaths.
Zaila	369	277
Bulhar	826	686
Berbera	13	11

It is not known what the mortality in the interior was.

General remarks on the trade.

It will be noticed that there is a large increase in the importation of American grey shirting, and corresponding falling-off in that of country grey shirting. The decline in the latter is owing to its being so flimsy and light that it lasts little or no time, and in consequence the Somalis prefer the heavier American cloth. The manufacturers of the latter appear to hit off the exact weight and consistency in the product, and the price is not exorbitant.

Rice, dates, jowari, miscellaneous goods, flour, and sugar show large increases under Berbera and Bulhar. The decrease in the importations of these articles, except jowari and dates, at Zaila is attributed to cholera, effects of last year's famine, &c.

Under exports, skins show a large increase at Berbera and Zaila, attributed to a larger number of sheep and goats being consumed by the people for food, owing to the scarcity of cattle on which they principally subsist. Hides show a large decrease, owing also to the scarcity of cattle the result of the epidemic of cattle disease in the previous year.

There is a large falling-off in the exports of coffee which may be attributed to the causes already before-mentioned in this report. And there is no doubt these causes are to a more or less extent answerable for the decreases in the other articles.

The gold ingots exported from Zaila were the private property of a Frenchman who died at Harrar.

Trade between flag ports and Aden.

The following is the value of the trade registered at these ports during year under review :—

	Value.	
	Imports.	Exports.
	£	£
Flag ports	19,151	19,381
Mijertain ports	23,469	11,407

Jibuti.

The French have considerably improved Jibuti by laying out the town, and the building of a causeway connecting the promontory with the mainland, but the main trade of Zaila has been in no way diverted.

Rules for mining concessions, &c.

In view of persons applying for concessions to exploit minerals or to export heavy timber from Somali land, the Government of Bombay is drawing up rules to regulate the grant of such concessions.

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1893.

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AFRICA.

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ON THE

TRADE OF THE SOMALI COAST PROTECTORATE.

Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1893.

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AFRICA.

SOMALI COAST.

Report by Lieutenant-Colonel Stace on the Trade and Commerce of the Somali Coast Protectorate for the Year 1891–92.

ABSTRACT of Contents.

	PAGE
Description of country	1
Extent of British protectorate	1
The people	2
Country	2
Climate and seasons	3
Population	3
Caravans	3
Transit dues	3
Currency	3
Administration of the protectorate	3
Ports	4
Zaila	4
Bulhar	4
Berbera	4
Aden	5
Sea carriage	5
Jibuti	5
Harrar, Shoa, and Southern Abyssinia	6
Jibuti-Zaila	6
Customs dues	6
Taxes	6
Zareebas	6
Difference between the trade of Zaila and that of the other ports	6
Harrar	7
Zaila trade	7
Berbera and Bulhar trade	8
„ „ exports	8
„ „ imports	8
Flag ports	10
Mijertain ports	10
General remarks	10

As this is the first detailed trade and commerce report for the Somali Coast, it seems advisable to give a brief description of the country and people. Description of country.

The Somali Coast Protectorate extends from Lahadu (or Lewádu), which is half way between Jibuti and Zaila to the 49th Extent of British protectorate.

parallel of east longitude. Treaties have been concluded with all the coast tribes and also with the Gadabursi tribe, which formerly extended to the sea coast.

The people. The whole of the Protectorate is inhabited by various Somali tribes, split up into numerous sub-tribes and clans. The origin of the Somali is not known; he is supposed to be descended from Arab and Galla ancestors. The Somali is said to be a "born trader," but large numbers of them are occupied in the grazing of numerous herds of camels, cattle, sheep, and goats. The tribes are nomadic. There are within our Protectorate only three or four small villages in the interior, and a few settlements of mullahs or priests. Cultivation is practically unknown, except that of jowari ("sorghum holcus"), on a very small scale at the above places. The people live on flesh and camels' milk, supplemented by imported jowari, rice, and dates, when these can be procured. There are no trades or manufactures in the proper sense of the words. With the exception of arms (spears, short-sword, and small round shield of hide), thick skin sandals, primitive but neat and durable milk and water vessels made of grass, and horse saddlery, the Somali artisan produces nothing. The people are very averse to manual labour, but make good boatmen and sailors. The various tribes and sub-tribes are constantly at feud with each, and raid each other's flocks and herds continually. But the country has been much more peaceful since the British occupation. The character of the people is what might be expected from the nature of their country and their life, and the entire absence of all rule and law except some recognised customs. They are cheerful, volatile, inclined to pilfer when an opportunity presents itself, idle to a degree, not wanting in courage, of a very independent bearing. They are very intelligent, and make good linguists. Travellers generally speak in the highest terms of those who have attached themselves to their fortunes.

The country. The nature of the country is for the most part mountainous. On the east the mountains, often very high, come close down to the sea. Towards Berbera and Bulhar they recede leaving a maritime plain of varying breadth from a few miles to 30 or 40. Still further west to the south of Zaila the mountains are more distant, and the Zaila-Harrar road gradually ascends across the plain until the high lands are met with about Gildessa.

The great Golis range, about 6,000 feet high at the loftiest parts, runs for many miles parallel to the coast to the south of Berbera, and at a distance of between 40 miles and 50 miles.

The maritime plain is rugged, and with numerous bare and rocky hills breaking its monotony in all directions.

Rivers are non-existent as they are understood in Europe. Water-courses are numerous, down which the torrents run on the rare occasions of heavy rains.

Water is generally obtained in the river beds or water-courses, sometimes close to the surface, in other places by digging holes more or less deep in the sand. There are, however,

places at distant intervals where there are springs. All along the coast from Zaila to Berbera fresh water is found close to the shore; its quality varies, but it is generally inferior. At Berbera it is brought in piping from springs under some low hills about eight miles distant, and is of good quality. At Bulhar the drinking water (inferior) is supplied from wells not far from the seashore, and at Zaila from pits dug in the sandy bed of a water-course about four miles from the town; this is good water.

The plains are generally thinly covered with scrub, jungle and babul bushes; along the water-courses and for some distance on either side this becomes real jungle, with, frequently, trees of considerable size. On the higher mountain ranges there is often dense jungle, and on the Golis range and the high mountains to the east of Somali pine, a species of cypress, is found.

Vast tracts under the hills are covered with the "sansevieria ehrenbergii" plant, from which very good fibre is extracted by the Somali for his own uses.

Climate and seasons.

On the coast and in the maritime plain the seasons may be simply divided into the "hot weather" and the "cold weather" —from October or November the east or north-east wind blows often strongly, and the weather is pleasant up to April; then ensues a lull, after which for two or three months the hot wind blows strongly from the south-west. The weather is then trying. Rain falls—sometimes heavily—generally during the cold weather, but the amount is small and insufficient for cultivation.

During the hot weather a great part of the tribes migrate to the highlands in the interior.

The climate, on the whole, is very healthy.

Population.

There are no means of forming an estimate of the population of the Protectorate. Berbera is supposed to contain about 30,000 people during the principal trading season (the cold weather), Bulhar perhaps 5,000, and Zaila 6,000.

Caravans.

The whole of the carrying work of the country is by camels, supplemented to a small degree by stout donkeys; porters are unknown. Trade caravans, *i.e.*, not those of persons simply going to their encampments, are escorted by armed attendants supplied by the Political Agency.

Transit dues.

These are levied by some tribes, and give rise to disputes and troubles. It is to be hoped that they may be abolished before long.

Currency.

On the coast the currency is the Indian rupee and small silver coinage. In the interior much is done by barter.

At Harrar the rupee is not current; the Maria Theresa dollar is in favour; but small Indian coins—2-anna and 4-anna pieces, especially the former—have at times been in great demand.

Administration of the protectorate.

At the ports of Zaila, Bulhar, and Berbera, British officers are stationed who administer the law, civil and criminal, and collect the custom dues. There is practically no interference with the people outside the ports as long as trade caravans are unmolested, but the officers frequently act as mediators, and thus keep the peace. There are also "kazis," or native judges, who

perform marriages and such rites, and decide religious matters. As the people are altogether Mohammedans, the social customs are guided by their religious tenets in a great measure, and thus the "kazis's" jurisdiction is essential. Disputes are often referred to "punchayets," or arbitrators. Most of the tribes with which the Agency has to deal have "akils," or wise men, who receive small stipends from Government and act as go-betweens with their several tribes, and to whom disputes are often referred, and who may, in fact, be looked upon as the tribes' agents and representatives with the Government officials.

Ports. The ports of the Protectorate are known as "customs ports" and "flag ports." The former are Zaila, Bulhar, Berbera, and Karam. The "flag ports" are Ainterad, Ankor, Raguda, Shellao, Hais, Mait, and Hashow.

At the customs ports are stationed British officers (except Karam), and customs duties are levied—these, in fact, forming almost the entire revenue of the ports. Karam revenue is so small that it cannot support an establishment, and the duties are levied at Aden on exports to, and imports from, the port.

At Zaila, Bulhar, and Berbera are stationed small detachments of Indian native troops.

Zaila. This, though in Somali Land, is not a Somali town. It is rather an ancient Arab settlement. Many of the houses are of stone and mortar, the rest huts in which the poorer classes—Arabs, Somalis, and others—dwell. The streets are narrow and tortuous. The town is built on very low-lying land. The roadstead, for there is no harbour, is considered to be fairly well protected from bad weather by islands and shoals. The anchorage for large vessels is at a distance of 2 miles from the shore. Small coasting steamers approach within three-quarters of a mile; the smaller native craft can, with favourable tides, come up to the pier, which, however, is left high and dry at low water. The approaches to the roadstead between the shoals or reefs are buoyed. There is no lighthouse.

Zaila is 126 miles from Aden, in a south-westerly direction.

Bulhar. This is not a town; it is a large village of huts, with a very few stone houses, on the very shore; it is 148 miles from Aden. There is no harbour; vessels anchor about three-quarters of a mile from the shore. All goods must be embarked or disembarked in small native craft over the bar. During very strong winds from the north-east landing is difficult—on rare occasions impossible; but when the strong south-east wind blows from the shore, during the hot weather, the sea is calm. The anchorage is good. A light is maintained visible 8 miles from the sea.

Berbera. This is the chief port of Somali Land; it is due south from Aden, from which it is distant 145 miles. The "Shaab," or European quarter, is on high ground facing the long pier, which stretches out into the harbour, and alongside the head of which the small coasting steamers lie and take in cattle and sheep. The native town, laid out a few years ago in broad streets, is situated about three-quarters of a mile from the European quarter. Many of the houses and warehouses are of stone.

The harbour is small, but well protected by a spit of land; it is almost land-locked. The anchorage is good, with deep water close to the pier-head. There is a good light visible at 8 miles to 11 miles from the harbour, and leading lights (red) are now being placed in position.

Berbera is the only real harbour within the Protectorate, and is the chief centre of trade.

Karam and the flag ports are merely villages on the shore. There are no harbours, and all are more or less exposed to the north-east wind.

Aden.

It is necessary to mention Aden, because Somali Land is dependent on this place in the matter of trade, in the same way that Aden is to a very great extent dependent on Somali Land for its meat supply. Aden was famous, it is said, in the olden days as an emporium. The trade has developed since its occupation by the British in 1839, until last year the value of the trade reached over 7,000,000*l.* (10 rs. equal 1*l.*), excluding Government treasure and stores and all goods manifested for direct transhipment though landed. Aden produces nothing. The consumption of merchandise is, of course, comparatively small, with a population of about only 40,000 people, the majority very poor. But it is the great distributing centre for the Gulf of Aden, including the South Arabian ports, for, in a great measure, the East Coast of Africa, and for various ports of the Red Sea. The produce of the Somali Protectorate must come to Aden, and, on the other hand, all the requirements of the Somali coast are distributed from Aden, which is a free port as far as customs duties are concerned. Careful statistics of the Somali coast trade are kept in Aden; they are also kept on the Somali coast, the revenue from the customs ports being that from which the expenses of administration are derived.

Sea carriage.

The transport of goods and merchandise is carried on by means of small local steamers, and also by means of native craft called buggalows or dhows. There are at present two steamers running to and from the Somali coast, one belonging to Messrs. Cowasji, Dinshaw, and Brothers, a well known and old firm in Aden and elsewhere. This firm has now the postal contract for the Somali coast, with a subsidy from Government of 600 rs. per mensem, and is bound to run a steamer once a week. The other, less regular, belongs to the Perim Coal Company. They are now running in competition. Native craft are numerous, but decreasing somewhat since the regular running of the steamers during the last three years. During the fine season—the cold weather—the buggalows are constantly running to and fro, but during the monsoon months few venture to cross the Gulf.

Jibuti.

This port was occupied first by the French in 1887, whose efforts are now entirely directed to Jibuti. There is a good harbour, well protected from wind and sea, and very superior to the Zaila roadstead. The French are spending considerable sums upon this place, and endeavouring to secure the trade with Shoa and Harrar.

The trade of Jibuti is in European hands. The merchants purchase ivory, gold, some coffee, zabad (civet), &c. The imports have been chiefly firearms, spirits, perfumery, some piece-goods, &c. It is not possible to give details, but the Aden trade registration shows the value of imports from Jibuti 13,193*l.* and exports 19,608*l.* during the past year. There is, however, also some direct trade between Obokh and Jibuti, and through the former place to and from Europe. The French are establishing police posts on the road towards Harrar, with which place they have now established a weekly camel post.

Harrar, Shoa, and Southern Abyssinia.

The trade with Harrar, Shoa, and Southern Abyssinia may some day be of considerable importance and worth retaining in our own hands as far as possible. The Harrar country is described as exceedingly rich, and I understand that Shoa is the same. Misrule appears to be the cause of the absence of a large development of trade.

Jibuti-Zaila.

Zaila, however, as a port, seems incapable of being improved without a very large expenditure, which is out of the question. The one thing that can be done is to find water on the good road which exists to Hensa. On the other hand, Jibuti has a harbour naturally very good and capable of every improvement. The road from Jibuti to Harrar is two days longer than the road from Zaila to the same place.

Customs duties.

Customs duties are levied at the ports of Zaila, Bulhar, Berbera, and Karam (latter collected at Aden). The rate on all goods is the same at these places, viz., 1 per cent. ad valorem on exports and 5 per cent. on imports; live stock free. The importation of firearms is strictly prohibited, and that of spirits only allowed to the extent necessary for the non-Mahommedan population and, at Zaila, for transport to Harrar. The tariff value is fixed once a year, necessary changes being made at any time when prices fluctuate considerably.

Taxes.

There are no taxes or rates of any description levied.

Zareebas.

At Berbera and Bulhar there are enclosures called "zareebas," to which all export merchandise from the interior must be brought and very low fees are here levied. These zareebas are most beneficial to the people, as the impositions of brokers on the ignorant people from inland are therefore checked. Goods are weighed or numbered and stamped, &c. At Zaila the institution is not needed for the natives with the caravans are here but carriers for merchants, whereas at Berbera and Bulhar they are the owners of the goods.

Difference between the trade of Zaila and that of the other ports.

There is a vast difference between the trade of Zaila and that of the other ports. Behind Zaila are the Gadabursi and Esa tribes, the greater part of the latter within French territory. These people produce but little and require no more, with the exception of live stock, ponies, ghee (clarified (?) butter), some skins and hides, there is no produce worth speaking of, whilst their requirements are some metal, cotton cloth, some grain and dates.

The Zaila trade is really dependent on Harrar and its districts.

I am not competent to describe Harrar, having never been there; but all travellers who have been there unite in describing the districts as exceedingly rich. The climate is said to be excellent at the city's altitude of over 4,000 feet. Harrar has suffered sadly of late from misrule, famine, and cholera, and it is astonishing that the value of the trade has not dwindled to almost nothing. Harrar.

Duties at Harrar are said to be 10 per cent. on imports, but the duty is also levied in kind. A fixed export duty of 2 dol. per camel load on all goods is also believed to be taken.

The following table shows the value of the export and import trade of Zaila for the last five years, excluding treasure:— Zaila trade.

Years.	Import.	Export.	Total.
	£	£	£
1887–88	63,109	105,118	168,228
1888–89	104,435	141,806	246,241
1889–90	80,778	142,149	222,927
1890–91	104,313	210,708	315,022
1891–92	101,598	151,721	253,319

NOTE.—Exchange at 10 rs. to the 1*l.*

Taking last year the articles which have been valued at or over 1 lakh of rupees (or 10,000*l.*) have been—

IMPORTS.

	£
Piece goods	12,508
Rice	31,827
Shirting, American	17,941
,, Indian	10,057
Jowari (sorghum holcus) .. .. nearly	10,000

EXPORTS.

	£
Coffee (Harrar)	103,566
Skins	24,278
Hides	8,016

The food grain import last year was much larger than usual, owing to the famine in Harrar.

Coffee export has increased from the value of 52,288*l.* in 1887–88 to 103,566*l.* last year, and is capable of unlimited extension in the Galla country dependent on Harrar.

The imports not mentioned above are very small, a list of these, the value of which is over 1,000*l.*, is as follows:—

	£
Cloth, cotton, European	1,322
Dates	4,473
Flour	2,484
Jowari	8,763
Sugar	1,235
Tobacco	1,054

And exports over 1,000*l.* value as follows:—

	£
Civet	2,115
Ghee	1,082
Goats and sheep	2,086
Gum	2,187
Hides (ox)	8,016
Ivory	1,537

There have been very large transactions in treasure, but as these were for purposes connected with neighbouring ports—Aden, Massowah, Hodeida, &c.—the matter is purely local.

Berbera and Bulhar trade.

These are treated together, being under one head office, and the trade similar in all details:—

IMPORT and Export Trade for Five Years:—

Years.	Imports.	Exports.	Totals.
	£	£	£
1887-88	196,801	167,825	36,6264
1888-89	213,401	207,373	420,775
1889-90	157,239	162,266	321,505
1890-91	191,712	141,279	332,991
1891-92	161,112	119,553	280,664

The past year having been the worst from various causes which will be noticed further on.

Berbera and Bulhar exports.

The export trade of Zaila has been described as dependent on Harrar and its products, it is entirely different with Berbera and Bulhar, though now and then a large caravan comes down from Harrar at long intervals of time. The exports of Berbera and Bulhar come from the interior of the Somali country, from the Habr Toljaala, Dolbahanta, Habr Gerhajis, Habr Awal countries and, in a great measure, from the far Ogaden. They are essentially the products of northern Somali Land, and consist chiefly of hides, skins, gums, ghee, ostrich feathers, sheep, and goats.

Berbera and Bulhar imports.

The chief imports for consumption or use amongst the Somali tribes are rice, jowari, dates, American, Indian and English grey shirting, tobacco.

It will be seen that the products of the country are what may be called natural products, *i.e.*, there is nothing manufactured, and that the wants of the people are simple in the extreme. The prospects of increase or development are not encouraging at present, and will continue to be so until the country is more pacified; even then, unless cultivation can be introduced on a somewhat extensive scale, the requirements of the people will remain but small; and this is difficult owing both to the absence of water and to the disposition of the people which is averse to

manual labour. I am not sufficiently acquainted with the far interior and its climate to be able to speak with any confidence as to agricultural possibilities, but in the maritime plain there is but little that can be done, though the mountain ranges may yet be found, especially to the east where they are more extensive, capable of producing valuable crops and perhaps some useful timber.

Even the comparatively small amount of products and the quantity of import of food grains, &c., is dependent in a considerable measure on causes which would not be known elsewhere. For instance, good rains in the interior bring abundance of grass, hence milk and ghee are plentiful and the Somali is satisfied, and asks for a smaller supply of food grains and dates, whilst he is less inclined to pick gum or to bring such articles as he possesses to the ports. For the Somali is nothing if not a creature who looks entirely to the present and leaves the future to take care of itself.

Details of the principal articles, over 10,000*l.* in value, for the year 1891–92, are as follows:—

IMPORTS.

	£
Indian grey shirting	36,423
Rice	48,784
Dates	38,859

EXPORTS.

	£
Gums	30,578
Skins	49,234
Ghee	11,545

And over 1,000*l.* as follows:—

IMPORTS.

	£
American grey shirting	3,507
Miscellaneous cloths (Indian manufacture)	4,120
" " (European)	8,658
Jowari	4,137
Other grains	1,552
Sugar	1,652
Tobacco	1,414
Miscellaneous, including metals, spices, timber, glass, &c.	8,105

EXPORTS

	£
Charcoal	1,269
Coffee (clean)	2,896
Hides	7,353
Ivory	1,379
Feathers (ostrich)	7,628
Miscellaneous	4,445

It has to be remembered that last year was a decidedly bad one for trade owing to various causes in the interior; such as great loss of cattle in recent years from disease and consequent

decrease in export of hides and ghee, and also from the fact of the buying power of the people having been diminished from their great loss in animals and other causes, it seems unnecessary to detail here.

Flag ports. There is nothing worthy of special record regarding the trade of these (named on p. 4) beyond the mere total figures of value and the general statement that both imports and exports are similar in nature to those of Berbera and Bulhar.

The total value of the trade for the past year, as registered in Aden, and this may be taken as practically correct, because there is very little trade except with Aden, is as follows:—

	£
Total imports	15,282
„ exports	12,900

Mijertain ports. These are outside and to the east of the British Protectorate and carry on some trade direct with the southern Arabian ports and even with Bombay. The value of trade, as registered in Aden, for last year was—

	£
Total imports	29,507
„ exports	13,680

General remarks. It does not appear that any useful remarks or suggestions can be made regarding the future of trade. The wants of the people are not likely to increase to any appreciable extent, the resources of the country are exceedingly small.

There have been rumours of the existence of indications of minerals in the Gadabursi country; but with no knowledge it is useless to make any remarks.

A useful industry, on a fairly extensive scale, may perhaps be introduced when the value of the sansevieria ehrenbergii plant becomes known. It seems probable that a very high class fibre can be produced from this plant.

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1893.

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No. 1215.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

AFRICA.

FURTHER REPORT FOR THE YEAR 1892

ON THE

TRADE OF THE OIL RIVERS PROTECTORATE (OLD CALABAR).

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1144.

Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1893.

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1202.	Swatow	1d.
1203.	Charleston	2½d.
1204.	Syra	1d.
1205.	New Orleans	2½d.
1206.	Suakin	1½d.
1207.	Caracas	1d.
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1210	Tahiti	2d.
1211.	Ichang	3½d.
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No. 1215.

Reference to previous Report, Annual Series No. 1144.

AFRICA.

OLD CALABAR.

Acting Consul-General Campbell to the Earl of Rosebery.

My Lord, *Old Calabar, March* 8, 1893.

I HAVE the honour to transmit herewith a Report drawn up by Mr. Roger Casement, who, in the absence of Mr. Vice-Consul Wall, is acting as Director-General of Customs, Oil Rivers Protectorate, on the working of the Department for the year ended December 31, 1892.

The Report is accompanied by a Schedule of Duties collected, a Return showing the value of Imports and Exports and Duty collected in each District of the Protectorate and a Comparative Return showing the difference between the results for 12 months, viz., from August 1, 1891, to July 31, 1892, and that for the year ended December 31, 1892.

Your Lordship will observe that the total amount of Revenue collected from Customs Dues is 83,555*l.* 14*s.* 7*d.* The average is not so high as that shown by Sir Claude MacDonald's despatch of April 9 of last year inclosing a Report for the first 5 months (viz., from August 1 to December 31, 1891) under the new form of Government of these Rivers, when the revenue collected for the 5 months amounted to 43,516*l.* 3*s.* 1*d.*, nor for the 12 months, from August 1, 1891, to July 31, 1892, when the amount collected was 87,696*l.* 2*s.* 4*d.* Mr. Casement, however, accounts for the difference in a satisfactory manner.

The imports show a falling off, but the total value of trade an increase of 66,954*l.* 5*s.* 6*d.*, that done in 1892 being 1,595,517*l.* 15*s.* 3*d.*, while for the 12 months from August 1, 1891, to July 31, 1892, it amounted to 1,528,563*l.* 9*s.* 9*d.*

The exports for 1892, however, taking the averages for the three periods quoted, show a marked improvement. For the 12 months ended December 31, 1892, against the same period ended July 31, 1892, the increase is 95,363*l.* 18*s.* 11*d.*

I venture to submit that your Lordship will consider that the Customs Department of the Oil Rivers Protectorate has worked efficiently and well for the period reported upon. Any remarks on the subject I beg to be allowed to leave till Sir Claude MacDonald resumes duty in the Protectorate.

I have, &c.

(Signed) KENNETH CAMPBELL.

Mr. Roger Casement to Acting Consul-General Campbell.

Sir, *Old Calabar, February* 20, 1893.

In the absence of Mr. T. A. Wall, Vice-Consul for this district and Chief of the Customs, I have the honour to submit to you the enclosed returns of the Trade done within the Oil Rivers Protectorate during the year ending December 31 last.

I have, &c.

(Signed) ROGER CASEMENT.

Report on the Trade of the Oil Rivers Protectorate for the Year 1892.

ABSTRACT of Contents.

	Page
Duties	2
Comparisons	2
Exports	2
Imports	2
Duties collected	2
Reasons for decrease	2
Sources of revenue	3
Free imports	3

Duties. The same scale of duties as shown in the last report has been in use and the prices of native produce are practically the same as for the period embraced in that report.

Comparisons. From a comparison of the figures shown in Table C1 it will be seen that from August 1, 1891, to July 31, 1892, being the first year of this Government's existence, the imports into the Protectorate amounted to 748,423*l.* 12*s.* 8*d.*, against 720,013*l.* 19*s.* 3*d.* for the completed year 1892 up to December 31 last.

Exports. The exports for the same periods were of the values of 780,139*l.* 17*s.* 1*d.* and 875,503*l.* 16*s.* respectively, thus giving a total trade value of 1,528,563*l.* 9*s.* 9*d.* for 1891–2 against 1,595,517*l.* 15*s.* 3*d.* for the year 1892, or a net increase of 66,954*l.* 5*s.* 6*d.* during the 5 months August to December, 1892, over the same period of the previous year.

Imports. The imports show a falling-off of 28,409*l.* 13*s.* 5*d.*, while the exports have increased by the large sum of 95,363*l.* 18*s.* 11*d.*, and this notwithstanding a decrease in Old Calabar itself of 9,653*l.* 2*s.* 5*d.*, due to an unsettled state of trade up the Cross River.

Duties collected. The duties collected amounted to 83,555*l.* 14*s.* 7*d.*, against 87,696*l.* 2*s.* 4*d.* for the year up to July 31, 1892, a decrease of 4,140*l.* 7*s.* 9*d.*

Reasons for decrease. This decrease is due, no doubt, to the fact that, prior to the establishment of the Protectorate on August 1, 1891, large

quantities of dutiable goods were imported with a view to escaping the imposition of the duties leviable on and after that date, and this assumption is borne out by the largely increased export trade, necessitating an increased expenditure of European goods which could have been drawn only from a stock in hand before the institution of the present system of Government control.

Sources of revenue.

Rum, gin, and tobacco form the chief sources of revenue, giving 72,805*l.* 10*s.* 4*d.*, or almost seven-eighths of the entire amount collected; while of free goods, cottons, coopers' stores, hardware and cutlery, provisions, brass and copperware, specie (25,029*l.* 15*s.* 8*d.*), silk goods, beads, wearing apparel, building materials and earthenware form the chief imports, the far greater portion of which, viz., 573,343*l.* 16*s.* 2*d.*, came from the United Kingdom.

The exports consist almost entirely of palm-oil and kernels, valued at 818,677*l.* 9*s.* 6*d.*, out of a total of 840,455*l.* 8*s.* 7*d.* worth of native produce exported; in addition to which there was an export of 35,048*l.* 7*s.* 5*d.* worth of British and foreign manufactures principally to the Royal Niger Company's territory.

With reference to the values shown, I beg to point out that these are, both in the case of exports and imports, the first cost of the goods only, with no allowance made, as is the case, I believe, in the other possessions of Her Majesty on this coast, for freight, insurance, packing, loading, and different charges attendant upon exporting goods from the United Kingdom to the Oil Rivers Protectorate and vice versâ.

Free imports.

Were a similar scale to that in use at Lagos, for example, applied to the trade of these rivers, a considerable increase of value would appear, and the returns would then be brought into conformity with those of neighbouring countries, which, at present, in the export values shown include charges amounting to not less than 20 per cent. of the first cost of the goods.

As an instance of the loss of value for statistical purposes, the trade returns of the Protectorate suffer from the existing system of valuation, I would beg to draw your attention to the free import list, where coopers' stores, bags and sacks, and cordage and twine amount to 67,723*l.* 7*s.* 9*d.*, of which fully 65,000*l.* worth must have been exported in packing palm-oil and kernels, and yet nothing of this is shown.

Allowing therefore only 20 per cent. to cover these different charges, and I think I am well within the mark in this estimate, the export from the Protectorate would show a total value of 1,050,604*l.* 11*s.* 2*d.*, and the imports a value of 864,016*l.* 15*s.* 1*d.*, which I think would be a fairer estimate of the value of the trade than can be drawn from the tabulated figures.

No returns having been received from out-stations of the rebates of duty allowed on goods exported to the Kroo Coast as Kroo-men's wages, I am unable to furnish any information as to the loss to revenue from this source, the only figures at present available being those for the Old Calabar and Bonny districts.

As, however, the rebate ceased on January 1 of the present year it will in future be unlikely that any large payments of dutiable goods will be made to Kroo-men.

I may add that the labour of compiling the returns I have now the honour to lay before you has fallen to a great extent upon the, in some cases, very efficient, and, in most cases, very willing staff of West African natives with whom Mr. Wall organised the Customs Department of the Protectorate, and to whom, along with him, must be credited its present satisfactory progress.

Schedule F.—Duties Collected.

Description.	Amount.		
	£	s.	d.
Duties collected from January 1, 1892, to December 31, 1892..	83,555	14	7
Amount paid on article not liable to duty and refunded..	0	2	6
Total duties collected on imports	83,555	12	1
Amount overcharged and refunded..	1	16	8
Actual duties received	83,553	15	5

Table C.—Return showing Value of Imports and Exports and Duty Collected in each District of the Oil Rivers Protectorate for the Year ending December 31, 1892.

District.	Imports.						Exports.			Total Value of Trade.		
	Value.			Duty Collected.			Value.					
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Old Calabar	213,611	4	2	27,014	16	6	208,061	16	10	421,673	1	0
Opobo	174,101	15	0	21,535	4	6	237,595	15	8	411,697	10	8
Bonny	170,793	10	5	21,216	18	11	181,689	16	10	352,483	7	3
Brass	50,028	17	4	4,726	14	2	94,421	12	9	144,450	10	1
Benin	54,800	0	3	4,637	14	10	68,185	12	3	122,985	12	6
Warri	56,678	12	1	4,424	5	8	85,549	1	8	142,227	13	9
Total	720,013	19	3	83,555	14	7	875,503	16	0	1,595,517	15	3

Table C1.—1. RETURN showing Value of Imports and Exports and Duty Collected in each District of the Oil Rivers Protectorate from January 1, 1892, to December 31, 1892, as compared with the period from August 1, 1891, to July 31, 1892.

District.	Imports.						Exports.						Duty Collected.						Total Value of Trade.					
	1891-92.			1892.			1891-92.			1892.			1891-92.			1892.			1891-92.			1892.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Old Calabar ..	216,557	17	3	213,611	4	2	217,714	19	3	208,061	16	10	30,015	18	10	27,014	16	6	434,272	16	6	421,673	1	0
Opobo	161,411	10	1	174,101	15	0	195,561	5	1	237,595	15	8	24,120	0	1	21,535	4	6	356,972	15	2	411,697	10	8
Bonny	196,091	13	11	170,793	10	5	174,704	19	10	181,689	16	10	22,161	19	9	21,216	18	11	370,796	13	9	352,483	7	3
Brass	40,576	7	10	50,028	17	4	65,579	4	2	94,421	12	9	2,812	15	5	4,726	14	2	106,155	12	0	144,450	10	1
Benin	74,029	3	5	54,800	0	3	65,141	2	1	68,185	12	3	5,369	7	7	4,637	14	10	139,170	5	6	122,985	12	6
Warri	59,757	0	2	56,678	12	1	61,438	6	8	85,549	1	8	3,216	0	8	4,424	5	8	121,195	6	10	142,227	13	9
Total ..	748,423	12	8	720,013	19	3	780,139	17	1	875,503	16	0	87,696	2	4	83,555	14	7	1,528,563	9	9	1,595,517	15	3

Table C1.—2. Increase or Decrease in the Year ended December 31, 1892.

District.	Imports.		Exports.		Duty Collected.		Total Value of Trade.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Old Calabar ..	..	2,946 13 1	..	9,653 2 5	..	3,001 2 4	..	12,599 15 6
Opobo	12,690 4 11	..	42,034 10 7	..	..	2,584 15 7	54,724 15 6	..
Bonny	..	25,298 3 6	6,984 17 0	..	..	945 0 10	..	18,313 6 6
Brass	9,452 9 6	..	28,842 8 7	..	1,913 18 9	..	38,294 18 1	..
Benin	..	19.229 3 2	3,044 10 2	..	..	731 12 9	..	16,184 13 0
Warri	..	3,078 8 1	24,110 15 0	..	1,208 5 0	..	21,032 6 11	..
Total	22,142 14 5	50,552 7 10	105,017 1 4	9,653 2 5	3,122 3 9	7,262 11 6	114,052 0 6	47,097 15 0
Net increase ..	..	..	95,363 18 11	..	..	..	66,954 5 6	..
Net decrease ..	..	28,409 13 5	..	..	..	4,140 7 9	..	..

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ARGENTINE REPUBLIC.

REPORT FOR THE YEAR 1892

ON THE

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ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Welby to the Earl of Rosebery.

My Lord, *Buenos Ayres, October* 12, 1892.

I HAVE the honour to transmit herewith to your Lordship a very careful Summary, which has been drawn up by Mr. Findlay, Second Secretary at this Legation, of the Report which has just been issued for the present year by Señor Hansen, the Minister of Finance.

Much credit, I think, is due to Mr. Findlay for the way in which he has carried out this work, and I trust that this Report may prove of interest, as containing much more recent information than any which has been so far published with regard to Argentine Finance.

I have, &c.
(Signed) GEORGE E. WELBY.

Mr. Findlay to Mr. Welby.

Sir, *Buenos Ayres, October* 7, 1892.

In accordance with your instructions, I have carefully studied the Memoria recently published by Señor Hansen, the present Minister of Finance, and I have now the honour to enclose a review thereof.

The Memoria in question gives a mass of information on every branch of Argentine industry and finance, together with the Minister's views as to the existing state of things, and the reforms which might advantageously be introduced.

The figures given in Argentine statistics are carefully drawn up, but are sometimes misleading.

Thus, I am informed on the best authority, that the estimated amounts of the imports and exports, being based on the "Tarifa d'Evaluos," are considered as gold. But the Tarifa d'Evaluos is known to be much too high, as already pointed out in previous reports.

I have endeavoured to give a fair idea of Señor Hansen's statements and opinions, and, as a rule, I have abstained from

commenting thereon, feeling that my own views would be of little value, owing to my short experience of this country.

The Memoria was prepared for the Argentine Congress, and is a statement of the situation somewhat from the Argentine point of view.

It may nevertheless be of some interest, especially as it contains more recent information than that already reported, and as there appears to be a feeling that some re-arrangement of Argentine finance must be negotiated before long.

I have, &c.

(Signed) M. DE C. FINDLAY.

Summary of the Finance Minister's Report for 1892.

Abstract of Contents.

	Page
Introductory	1
Estimate of European investments in Argentina	4
Interest payable on European capital	4
Señor Hansen's views as to re-arrangement of debt	5
Average return of commercial investments	5
Balance of trade	5
Effects of crisis; impulse to native industries	5
Industries existing owing to depreciated currency	6
Importation of stock, statistics	6
„ foodstuffs, „	6
Wine-growing industry	7
Sugar-growing industry	8
Alcohol, manufacture of	9
Tobacco	9
Wood trade	9
Exportation statistics	10
Revenue	11
Incidence of taxation	12
Specific duties, advantages of	12
Proposed property tax	12
Small farms	13
Internal taxes	14
Comparative table of revenue, 1st quarter, 1891–92	14
Summary of paper expenditure, 1891	15
Summary of gold expenditure, 1891	16
Revenue and expenditure, 1891	16
Fiduciary issue	19
Paper in circulation	20
Fluctuations of gold, 1891–92	21
Banco de la Nación	21
Banco Hipotecario Nacional	22
National external debt	24
National internal debt	25
National floating debt	26
Provincial debt	26
Municipal debt	26
Summary of debts	26
Customs loan, 1886	28
Moratorium, views as to new arrangement	28
Services expected to be paid in funding bonds	29
Customs reforms	29

Abstract of Contents—continued.

	Page
Annex—	
Summary of national external loans	31
„ „ railway guarantees	31
„ „ Cedulas	31
„ Provincial loans	31
„ Municipal loans	31
Respective services in sterling	31

Introductory.

Señor Hansen, in the introduction to his exhaustive memoria, sketches the progress of the crisis in Argentine finance from June, 1889, the increasing depreciation of the paper currency, the failure of the attempts of the Government to obtain further loans, the Revolution of July, 1890, and its effects, the Baring failure, followed by Dr. Playa's mission, the general collapse of Argentine National and Provincial Stock, and the closing of the National Bank, and of the Bank of the Province of Buenos Ayres.

There is no need further to allude to this unfortunate chapter in the history of Argentine finance, the subject having been exhausted in Mr. Herbert's report (Annual Series, 1892, No. 1000).

Causes of crisis.

Señor Hansen remarks with regard to these events, "that it is not fair to seek for the causes of this catastrophe in the acts of the public authorities. Their fault lay in not having escaped the general blindness (ofuscaçion) of the time, and in not having foreseen the effects of action inaugurated under the influence of mistaken ideas."

"The daily spectacle of fortunes springing up (like mushrooms) during the night, thanks to the miracles of speculation, upset the public judgment, and it is not surprising that the men at the head of affairs caught the infection from the surrounding atmosphere."

The blame, he continues, must be shared by European capitalists, who speculated in Argentine stocks and cedulas, even though the "abuses connected with the issue of the latter were notorious."

"This," says Señor Hansen, "if it does not excuse the mistakes made by the Republic, explains at any rate how it was possible for the crisis to assume the proportions of an international disaster."

Señor Hansen points out that the "basis of the economical regeneration of the nation consists in the rapid development of its production, the excess of which, when exported, covers the value of foreign goods consumed, and provides resources for the service of the European capital invested in the country, either in the form of foreign debt, or in that of commercial undertakings which remit their profits to Europe."

To give a clear idea of the amount of this mass of borrowed gold he subjoins the following table:—

EUROPEAN CAPITAL INVESTED IN THE REPUBLIC.

Description.	Amount.	
	Currency.	Sterling.
	Dollars Gold.	£
I. PUBLIC DEBT.		
National	205,692,404	41,138,480
Provincial	143,315,533	28,663,106
Municipal	24,596,423	4,919,285
Total	373,604,360	74,720,871
II. RAILWAYS.		
Guaranteed	81,800,000	16,360,000
Not guaranteed	230,700,000	46,140,000
Total	312,500,000	62,500,000
III. INDUSTRIAL AND COMMERCIAL UNDERTAKINGS.		
Guaranteed—		
Preserved meat factories and sugar refineries	6,700,000	1,340,000
Not guaranteed—		
Banks 20,600,000		
Tramways 15,300,000		
Telephones 2,200,000		
Gas companies 4,900,000		
	43,000,000	8,600,000
Total	49,700,000	9,940,000
IV. HYPOTHECARY CEDULAS.		
Gold National	15,000,000	3,000,000
Paper „ 60,000,000		
„ Provincial 200,000,000		
260,000,000		
Taking gold at 300 per cent., this gives	86,000,000	17,200,000
Total	101,000,000	20,200,000
Grand total	836,804,360	167,360,871

NOTE.—5 dollars gold = 1*l.* approximately.

Interest payable on European capital invested in the Republic.

Señor Hansen estimates the payments required for the interest of this large sum at or about 8,000,000*l.* or 40,000,000 dol. gold. He arrives at this result by taking 5 per cent. as the average rate of interest of the whole of the Public Debt, hypothecary cedulas, and guarantees. This appears a very low estimate.

Señor Hansen points out that the actual payments are at present considerably reduced by the consolidation of the National Debt service, and the suspension of the services of various pro-

vincial loans, including cedulas, and he estimates the sum actually paid abroad, as from 1,300,000*l.* to 1,400,000*l.* It is probable that the 54,000,000*l.* unguaranteed capital does not now yield more than 2 per cent. to 2½ per cent. on an average.

Further, several of the more important railways in carrying out prolongations of their lines, &c., for which fresh capital has been raised in Europe, find it more convenient to employ their profits in paying for work done in this country, and to use the money raised in Europe for the payment of dividends there. This is a fact which should not be lost sight of.

Re-arrangement of the debt necessary.

Turning to the future the minister thinks that as regards the Foreign Debt, the service of which is now consolidated at 6 per cent. annual interest, there is a general feeling that it will be necessary to revise this arrangement, which is only accumulating fresh debt, and which does not benefit the present holders, owing to the low figure at which the bonds they receive in payment are sold; he is of opinion that an average interest of from 2½ per cent. to 3 per cent. per annum in gold may be anticipated as a satisfactory arrangement. The same rate, he thinks, will be extended to cedulas and guaranteed stock so that on those hundred and odd million (sterling) a reduction of interest would be obtained of from two to three millions (sterling); thus the total sum payable abroad would not exceed five or six millions (sterling), a sum, he says, which it is well within the capacity of the country to pay, if it is guided in the future by its unfortunate experiences in the past.

Return of commercial investments.

Señor Hansen then remarks that when commercial investments in this Republic yield 5 per cent., European capital will again flow hither.

This anticipation appears to be founded on the impression that such investments in England are considered satisfactory when they yield 3 per cent. This I believe to be erroneous. Señor Hansen must be thinking only of railway debentures, &c.

Balance of trade.

In the period from 1886 to 1890, inclusive, the excess of imports over exports appears, according to Mr. Hansen, to have been about 34,000,000*l.** All these millions can only have been paid, says Señor Hansen, with the fresh capital flowing into the country. In 1891 when the source of this stream of gold was cut off, the balance of trade which in 1890 had been 8,000,000*l.* against the country suddenly changed to a balance of over 7,000,000*l.* in its favour. The exportation of gold caused a corresponding fall in the value of the paper currency, and this depreciation in its turn gave a great impulse to Argentine production, owing to the dearness of imported goods, which have to be paid for in gold, and to the cheapness of paper-paid labour.

Impulse given to agriculture and stock farming and native industries.

Thus agriculture and cattle-farming prospered exceedingly, and native factories of wine, alcohol, sugar, matches, &c., sprang up to compete with the imported article.

Señor Hansen considers that the distress prevalent in 1891

* This result does not correspond with figures given by Señor Hansen on p. 22, which show a balance of 40,000,000*l.*

among the labouring classes was not due to the action of the Government in raising the import duties (this only being done in the case of wine, tobacco, &c.), but rather to the depreciation of the paper dollar.

Protected industries.

Señor Hansen is strongly of opinion that it is not advisable to foster industries by protection which could not exist without it. He observes, with truth, that the native manufactured articles are kept up to the price of the imported article, and they are, as a rule, of inferior quality, so that the protective tax is a loss both to the revenue and to the consumer and only benefits the manufacturer.

Industries existing owing to depreciation of currency.

Many of these industries owe their existence to the depreciation of the paper currency, which aggravates the import duties, and at the same time cheapens labour. Should this abnormal state of things improve, it is to be feared that many of them would be ruined, but cloth and paper factories, being, so to say, indigenous to the country, may continue to hold their own.

It is important to notice that a rise in the value of the paper dollar would be by no means welcome to a large class of people in the Argentine Republic, and that labour cannot earn sufficient to attract immigration until a rise takes place.

The statistics relating to the importation of stock (for stud purposes) during the period between 1885 to 1891 are as follows:—

Importation of stock, 1885–91.

	1885.	1886.	1887.	1888.	1889.	1890.	1891.	Total.
Sheep	15,455	18,716	46,316	3,351	19,479	1,030	1,909	106,256
Cattle	2,007	1,463	942	4,527	628	362	103	10,032
Horses	487	857	1,506	990	547	535	121	5,043

The importation of these animals which directly tends to improve the stock in the country has greatly fallen off. There is now, however, a good supply of stud-stock bred in the country.

Importation of food-stuffs.

There are several interesting points connected with the importation of food-stuffs. These are divided by Señor Hansen into the following groups:—

1. Necessaries not produced in the country.

2. Necessaries, with regard to which home-production is beginning to compete with foreign production.

3. Articles of luxury, the consumption of which is not general.

As regards the first group in which Señor Hansen includes rice, ling, cocoa, coffee, flour, tea, yerba, &c., the importation of each article has declined in the last few years.

In many cases this decline is more apparent than real, as importation in 1890 was stimulated by a desire to avoid the gold duties in 1891.

An increase of home-production is indicated by the great decline from 3,500,000 kilos. in 1887 to 1,070,949 kilos. in 1887, and 1,871 kilos. in 1891.

Food-stuffs—second category.

In the second group of food-stuffs including refined and raw

sugar, chocolate, malt, pâtes d'Italie, salt, &c., the decline in importation is also general, and that in sugar from 34,500,000 kilos. in 1889 to 13,000,000 kilos. in 1891 shows the great strides made by the Argentine sugar industry. Sugar.

The decline in the importation of this article alone represents a loss to the revenue of more than 360,000*l.*

The articles included in the third category show an equal falling-off. Third category.

Home production again comes into the field in competing with the importation of foreign wines.

There is a decrease in the importation of common wines amounting to 16,500,000 gallons, which represents a loss to the revenue of over 1,200,000*l.*

The decline in the revenue from duties on imported alcoholic drinks is 380,000*l.*, while the excise being in paper only produced about 80,000*l.* The decline in the importation of beer has caused a loss to the revenue of 150,000*l.*

These figures, when added up, show a total loss to the revenue in these four articles, viz., sugar, wines, spirits, and beer, of about 2,000,000*l.*, or nearly 50 per cent. of the total customs collected in 1891, and "almost enough to cover the service on the National External Debt." Great loss to revenue owing to decline in importation.

"Disregarding the small excise duties," says Señor Hansen, "this enormous sum must be considered as given to home industry, and it is now evident that the latter must contribute to defray the expenditure of the Public Treasury." Home industries must be taxed.

He considers that these great industries which have sprung, Phœnix-like, from the ashes of Argentine finance, can now hold their own and that they have a great future before them.

Wine growing.

The area at present laid out in vineyards in the Argentine Republic is approximately as follows :— Vineyards and wine-growing.

Provinces.	Acres.
Mendoza	21,611
San Juan	18,977
San Luis	2,482
Entre Rios	3,636
Salta	1,940
Cordoba	1,358
Rioja and Catamarca	6,912
Buenos Ayres	unknown
Total	56,916

Of the total area in which the vine is cultivated, Señor Hansen calculates that 33,950 acres are actually bearing fruit, the rest being newly planted.

Wine crop, 1891.

The wine produced in 1891 he estimates at 11,000,000 gallons. The wine imported amounted to 14,410,000 gallons; taking the population at 4,000,000, this gives a consumption of about $6\frac{1}{3}$ gallons per head, or nearly six times as much as the consumption per head of the population in France.

The manufacture of artificial wines in Buenos Ayres and Rosario causes loss to the revenue, and is dangerous to the health of the public. Señor Hansen estimates the spurious wine sold as amounting to over 6,500,000 gallons.

The wine industry at present represents a production of about 1,000,000*l.*, and its prosperity will increase from year to year.

RETURN of Sugar Manufacture for the Year 1891.

Provinces.	Factories.		Cane crushed.	Sugar produced.	Acres planted with sugar.
	Existing.	Which send in reports.	Tons.	Tons.	
Tucuman	34	25	429,053	25,648	44,702
Jujuy	2	2	22,072	1,332	3,410
Salta	1	1	2,259	158	1,187
Chaco	4	1	2,076	138	1,480
Missiones	3	1	4,419	331	496
Santiago del Estero	2	1	9,035	451	1,277
Total	46	31	468,914	28,058	52,552
Besides which there are 15 factories with an approximate output of	...	...	...	7,856	14,543
Grand total	...	...	...	35,914	67,095

Sugar industry.

The preceding table shows the distribution and produce of the sugar industry in 1891, according to the figures given by Señor Hansen.

The region in which the sugar cane is cultivated begins at parallel 27 degrees. It is grown as far south as 28 degrees, but not at a profit; the total area under sugar cultivation is about 66,095 acres, of which amount nearly 56,833 acres lie in the province of Tucuman.

Of the 35,914 tons of sugar produced, 15,315 tons were carried to the coast and to the central provinces by the North-Western Argentine Republic, and about 7,290 tons to Santa Fé and Buenos Ayres, by the line connecting Buenos Ayres, Rosario, Sunchales, and Tucuman. The Central Argentine Railway carried over 3,327 tons to the coast, and the Central Northern Railway about 1,280 tons.

The total amount despatched from the sugar districts was 28,175 tons, the remainder being consumed there. If the amount of sugar produced be added to the amount imported, we find a total home consumption of 49,107 tons, or $27\frac{1}{2}$ lbs. per head of the population, less than half the consumption per head in the United Kingdom.

The quality of sugar is stated to be good, and its manufacture is carried on with the latest modern improvements.

Alcohol.

Manufacture of alcohol.

The manufacture of alcohol both from maize and from sugar cane has greatly developed of late. In the year following the imposition of an excise duty on alcohol, 6,085,998 gallons paid the tax, 75 per cent. being made from maize, and 25 per cent. from sugar, and about 39° Cartier to 40° Cartier. The whole of this must have been consumed in the country as none was exported. If the spirits imported, amounting to 20,635 gallons, be added, we find that the consumption per head of the population is 1½ gallons—a consumption which, according to Señor Hansen is only exceeded in Denmark and in Germany.

Señor Hansen is of opinion that this extraordinary consumption is explained by the use of these alcohols in the manufacture of wine, and that higher duties should be imposed on the produce of this industry.

Tobacco.

Cultivation of tobacco.

The importation of tobacco has fallen-off to a degree which can only be attributed to the extensive smuggling carried on since the imposition of higher duties in 1891. Señor Hansen estimates the quantity smuggled as about equal to that legally imported.

Another effect of the high duty has been to develop the cultivation of tobacco in the Argentine Republic.

Tobacco is being grown in Corrientes, Tucuman, Entre Rios, and even in the provinces of Buenos Ayres and Santa Fé. According to information collected by the Ministry of Finance the last tobacco crop brought to market from Corrientes and Tucuman amounted to 1,450 tons.

Wood, building materials, &c.

Wood.

The importation of wood for building purposes, &c., has declined since 1887 to an extraordinary extent, and the exportation has increased. In 1887 the produce of the lumber trade was valued at about 55,590*l.*; in 1890 280,000*l.* worth of wood was exported, and the exportation in 1891 is estimated at nearly 430,000*l.*, or about eight times as much as in 1887.

At the same time native wood has taken the place of the imported article to a great extent in home consumption, and is now largely used as fuel in factories and railways where coal is dear, owing to distance from the coast.

Thus the flour mills at Santa Fé, Cordoba, and Entre Rios, and the sugar factories of Tucuman and Santiago del Estero are supplied with wood. The superiority of coal over wood is considered by Señor Hansen as being in the ratio of 3 to 1 to 0; but as the cost of coal is to that of wood as from 8 to 6 to 1, wood is evidently the cheaper.

Coal replaced by wood.

The importation of coal declined from 658,000 tons in 1889 to 350,680 tons in 1891, and Señor Hansen considers it probable that two-thirds of this diminution is accounted for by the employment of wood as fuel. He further remarks that wood is subject to 10 per cent. ad valorem duty while coal is free.

NOTE.—The wood in general use for fuel, fencing, gate-posts, tanning, &c., is called "Quebracho." It is exceedingly hard, heavy, and durable, and is excellent for these purposes. Cedar, from Paraguay and the northern provinces, is also largely used for window fittings, doors, and furniture. It is a handsome, dark wood and takes a high polish.

The following figures show approximately the variations in the value of the principal products of the country, exported in the last 7 years 1885–91.

PRODUCE of Cattle Farming.

Year.	Value.
	£
1885	12,100,000
1886	10,580,000
1887	11,110,000
1888	14,000,000
1889	17,850,000
1890	12,200,000
1891	12,800,000

AGRICULTURAL Produce.

Year.	Value.
	£
1885	2,210,000
1886	1,660,000
1887	4,250,000
1888	3,250,000
1889	3,380,000
1890	5,118,000
1891	5,808,000

These figures show that the value of agricultural produce exported has more than doubled in the period under consideration, the lumber trade has increased to nearly eight times its former value, as shown above, and the value of minerals exported has risen from 18,000*l.* in 1885 to 171,000*l.* in 1891.

Tanned leather.

Another industry which has sprung up within the last 2 years is the manufacture of tanned leather, and it is increasing enormously. The wood used in tanning is the "Quebracho" above-

mentioned, which is plentiful and excellent for the purpose. This trade is destined to assume large proportions, owing to the cheapness of the material required for it.

The statistics given by Señor Hansen, showing the destination and origin of exports and imports during 1891, are interesting but need not be given here, as they have already been reported on by Mr. Bridgett (Annual Series, 1892, 1068). For the same reasons I do not go into the statistics of navigation. Destination and origin of exports and imports.

I may mention, however, that in concluding his chapter on navigation, Señor Hansen expresses his opinion that the coasting trade (cabotage), being the "nursery of the national navy," should only be carried on under the Argentine flag. In defence of this policy he quotes the legislation of France and of the United States with regard to "cabotage." With this view he desires the alteration of the existing regulations on the subject. Cabotage.

Revenue.

The estimates for 1891 were the same as for 1890, the revolution and confusion resulting therefrom having made it impossible to elaborate a fresh budget. The revenue collected in 1891 shows an excess of 2,350,221 dol. paper (115,106*l.*—taking gold at 391 the average rate for the year) over that of the preceding year, but it must be remembered that in 1891 the new duties on exports, additional duties on tobacco and other articles, and the internal taxes produced 9,695,857 dol. paper (495,951*l.*), so that there was a decrease in the amount yielded by the former taxes. Revenue.

Goods subject to duty of the value of 19,322,000*l.* are stated to have been imported in 1890, but in 1891 the amount fell to 8,528,000*l.*, a decrease of 56 per cent. Señor Hansen considers that this extraordinary difference, which is usually attributed to the impoverished condition of consumers in the Argentine Republic, is only partially due to this cause. "The crisis has only affected the urban populations, and these only in the principal centres, while the rural population have largely profited by the depreciation of the currency." Imports in 1891.

"Never have our rural industries prospered so much as in the two years when the crisis was most acute."

This is doubtless true as far as the employers of labour are concerned, owing to the fact that wages have not risen in proportion to the depreciation of the paper in which they are paid. The labouring classes have suffered for the same reason. Prosperity of "rural industries."

The causes to which Señor Hansen attributes the decline in importation are:—

1. The competition of home produce.
2. The existence of large stocks which were increased in anticipation of the application of the gold duty.
3. The limited means of consumers.

The next subject taken into consideration is the incidence of taxation, and the reforms which should be introduced. Incidence of taxation.

"A good system of duties," says Señor Hansen, "requires that there should be no exemption therefrom which is not general." He therefore points out that railway companies have abused the liberality of their concessions, and that they should be made to justify the use of material which they import free of duty under the conditions of their contracts. Machinery and raw material, with some exceptions, should also, he considers, be subject to duty.

Specific duties.

In the opinion of Señor Hansen the moment has arrived for the application of "specific duties" to the fullest extent. The "ad valorem" duties, he argues, are only more equitable in appearance. "Specific duties" have the advantage in being simple in their application, and more reliable both for the revenue and for the honest importer.

Proposed reforms.

He is of opinion that the present "ad valorem" duties might be reformed by combining the present 30 per cent. duty with the 20 per cent. duty, and as for the 1 per cent. duty on all articles that might be distributed amongst those goods subject to other rates, or covered by a 5 per cent. duty on some articles which are at present free.

Additional duties.

The additional taxes on "articles de luxe," such as wine, cigars, &c., which were imposed in January, 1891, were destined for the amortisation of the fiduciary issue. For reasons given above the amount yielded by them has been so far below the estimated return that Señor Hansen considers it necessary to modify or even abolish them, and to seek some other way of raising the sums required.

Export duties and exports.

In order to create fresh resources and to fill the empty Treasury, export duties, which had been abolished in 1887, were re-established in the extraordinary sessions of 1890–91.

Tax of 4 per cent. on farm produce.

The articles affected were, as before, the products of stock-farming—skins, wool, suet, jerked-beek, &c. These were subjected to a 4 per cent. duty, which they were well able to bear.

Señor Hansen thinks that an income tax, such as that at present in force in England, is the fairest form of raising money, but considers it impracticable in this country, "owing to the difference in customs." He points out that the price of farm-produce, as mentioned above, being fixed by the foreign market, the present duty is only a tax on profits, and is not protective.

Port dues.

With regard to the port and quay dues, charged for the use of the quays of the new harbour and of La Boca, they are merely intended to cover the expenses of the service and maintenance of those quays, but are far from doing so. The duty charged is about 20 c. gold per ton ($9\frac{3}{4}d.$) on entry and $\frac{7}{10}$ c. per ton per day during the stay of ships in port. Vessels driven in by stress of weather or "force majeure" are not subject to duty. Vessels in ballast pay half the tariff dues on entry.

The return of these dues has more than doubled between 1885 and 1891. There was only a slight decline in 1890.

Property tax.

The amount yielded by the property tax has been constantly increasing since 1885. Señor Hansen is of opinion that buildings

are taxed too highly in proportion to land, to which they give value; "in a word," he says, "I think that the holders of unused lands should be punished by being subjected to a higher tax in order to put difficulties in the way of 'land-grabbing,' and thus to prevent speculation from impeding progress." Tenure of land.

"The same principle," he continues, "should be applied to country property, in which 'land-grabbing' is reaching alarming proportions, and in order to prevent, while yet there is time, agrarian conflicts such as those which have given so much trouble in Ireland."

"A system, which permits one man to own 40 or 50 leagues of land, while the humble labourer cannot find a spot on which to toil, or labours under conditions only profitable to the proprietor, is evidently bad . . . . . and becomes hateful unless possession carries with it the obligation to make good use of the land possessed."

The "famous" law of the Centros Agricolas was introduced with the laudable object of giving effect to these wise principles, and Señor Hansen deeply regrets that its application gave rise to such "enormous abuses."

I may mention, as a rider to these remarks, that the Government has just conceded 400 leagues of land to Mr. Grünbein. It is to be hoped that he will make good use of them. I may also add that some German and Italian colonists at Bolivar were recently forcibly evicted by the municipal authorities on account of arrears, apparently occasioned by a bad year; the eviction was resisted and caused a certain amount of bloodshed.

There is evidently considerable difference between theory and practice here as well as elsewhere.

Señor Hansen thinks that "much could be done to secure the more equal distribution of land if the land tax were based on the return of the best utilised lands, combined with an increase in the tax in proportion to the extent of land occupied," as is the case in New Zealand.

With regard to this it may be observed that the population in the Argentine Republic is only four to the square mile, while even in Ireland it is 144. Until agriculture has spread over the country the chief rural industry must be stock-farming. The nature of the ground and scarcity of water in some parts make large farms a necessity, besides which the small farmer has neither the capital nor the education necessary to enable him to improve his stock by the importation of well-bred animals.

Señor Hansen's theories are doubtless wise and far-seeing, but they do not appear to influence the Government as regards the sale of State lands.

There are also various other natural conditions which militate against the success of small holdings, such as the frequent droughts, hailstorms, and plagues of locusts, which ruin a man with no capital at his back beyond hope of recovery. Labour succeeds best when combined with capital, and vice versâ. Small farms.

I have noticed Señor Hansen's remarks on this subject at some

length, as they appear to me to be of some interest owing to the importance of the industry affected.

Posts and telegraphs.

The revenue derived from the post and telegraph service has more than doubled in the last six years, but does not cover the cost. In 1891 there was a deficit of 35 per cent.

Señor Hansen considers that this department should pay its own way, and that with this object the present low rates should be raised.

Internal taxes.

After the Revolution of July, with a view to increase the national revenue, internal duties were imposed on alcohol, beer, and matches; also on the deposits of all private banks, and on the profits of joint-stock companies carried on with foreign capital.

In the first year of its existence this tax has produced 2,553,206 dol. paper, and Señor Hansen believes that it will be an important factor in the national resources.

Señor Hansen gives the following table of the revenue returns up to March 31, 1892, compared with those of the same period of the previous year. The following table shows the revenue in the first quarter of 1892 as compared with the same period in 1891.

COMPARATIVE Table of Revenue for the First Quarter of 1891 and of 1892.

Description.	1891.	1892.	Increase.	Decrease.
	Dollars.	Dollars.	Dollars.	Dollars.
Import and additional duties	9,764,017	17,677,273	7,913,256	..
Export	539,342	3,320,769	2,790,427	..
Warehousing and cranage dues	207,309	391,458	184,149	..
Harbour and pier dues	235,653	479,761	244,108	..
Patent dues	229,862	224,576	..	5,286
Stamped paper	822,148	991,274	169,126	..
Stamp tax	71,397	169,341	97,944	..
Direct taxation	232,526	62,749	..	169,777
Post office	364,692	472,731	108,039	..
Telegraph	191,125	182,407	..	8,718
Lighthouse dues	34,561	100,531	65,570	..
Sanitary inspection	13,622	22,683	9,061	..
Consular fees	39	739	700	..
Alcohols	..	448,119	448,119	..
Beer	..	87,178	87,178	..
Matches	..	166,100	166,100	..
Tax on banks and joint stock companies	..	28,185	28,185	..
Liqueurs, &c.	..	49,667	49,667	..
Cranage (guinches)	..	73,149	73,149	..
Additional tax (law No. 2772)	175,869	648,917	473,048	..
Sale of lands	19,938	101,585	81,647	..
Incidentals	45,429	53,053	7,624	..
Total	12,938,539	25,752,255	12,997,597	183,781
	..	12,938,539	183,781	..
Increase	..	12,813,716	12,813,716	..

Description.	1891.	1892.	Remarks.
	Dollars.	Dollars.	
Interest on Treasury deposits	10,065	1,040,244	Interest accredited by National Bank on old accounts.
Tax on bank issue ..	414,513	..	
Tax, 2 per cent. on banks..	4,914	..	

Señor Hansen gives the following summary of the cost of administration in 1891 :— Expenses of administration, 1891.

SUMMARY.

	Amount.	
	Dollars Paper.	Dollars Gold.
Total sums voted	53,868,856	30,619,078
„ „ spent	46,240,058	21,642,426
Surplus	7,628,798	8,976,652*

* The result given is 8,989,089 dol., which is incorrect.

The following is a summary of paper payments :—

PAPER Payments, 1891.

Description.	Voted.	Spent.	Not Spent.	Paid.	Not Paid.
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
a. Per Budget—					
Department of Interior	12,637,633	12,208,301	429,331	10,427,732	1,780,568
„ Foreign Affairs ...	882,960	772,952	110,007	649,559	123,393
„ Finance	6,856,089	5,520,331	1,335,758	3,866,822	1,653,508
„ Justice, Religion, and Education	7,424,479	7,040,188	384,290	5,761,838	1,278,349
Department of War	9,477,418	9,120,677	356,741	8,297,489	823,188
„ Marine	3,951,768	3,904,437	47,331	3,176,307	728,129
Total	41,230,349	38,566,888	2,663,460	32,179,750	6,387,137
b. Special Votes—					
Department of Interior	8,123,391	4,013,384	4,110,007	2,956,583	1,056,801
„ Foreign Affairs ...	441,230	122,720	318,510	75,364	47,356
„ Finance	1,755,633	1,706,646	48,986	1,229,890	476,755
„ Justice, Religion, and Education	681,659	572,780	108,879	547,195	25,585
Department of War	1,505,142	1,126,187	378,954	1,063,395	62,792
„ Marine	131,450	131,450	...	64,003	67,446
Total	12,638,507	7,673,169	4,965,338	5,936,432	1,736,736

Summary of Payments in Gold, 1891.

Description.	Voted.	Spent.	Not Spent.	Paid.	Not Paid.
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
a. Per Budget—					
Department of Interior	3,492,510	2,318,942	1,173,567	1,688,332	630,811
,, Foreign Affairs ...	323,280	297,122	26,157	285,609	11,513
,, Finance	16,439,056	11,623,041	4,816,014	5,910,121	5,712,920
,, Justice, Religion, and Education	...	...	...	...	...
Department of War	...	...	...	...	...
,, Marine	60,600	60,009	591	33,089	27,399
Total	20,315,446	14,299,116	6,016,330	7,923,152	6,382,645
b. Special Votes—					
Department of Interior	8,272,213	5,534,067	2,738,145	5,044,974	488,092
,, Foreign Affairs ...	198,395	68,331	130,064	66,613	1,718
,, Finance	565,698	578,126	...	566,249	11,877
,, Justice, Religion, and Education	...	...	...	...	...
Department of War	...	...	...	...	...
,, Marine	1,267,335	1,162,785	104,549	1,095,232	67,553
Total	10,303,632	7,343,310	2,972,759	6,773,069	569,241

Paper surplus and gold deficit.

From these figures it appears that 5,009,708 dol. paper and 1,326,979 dol. gold were expended in excess of the sums voted in the Budget.

The greater part of the extraordinary paper expenditure was applied to the construction of the Riachuelo and Martin Garcia Canals, to the Entre Rios Central Railway guarantee, and to the construction of the Government House.

Application of extraordinary expenditure, 1891.

Of the 4,987,472 dol. gold spent in excess of the Budget vote 3,387,900 dol. were spent on the port of Buenos Ayres and 1,599,501 dol. on the prolongation of the Central Northern Railway.

Señor Hansen gives the following general account of revenue and expenditure:—

Revenue and Expenditure, 1891.

Receipts.

	Amount.	
	Dollars Paper.	Dollars Gold.
Balances in hand carried from 1890 to 1891 ..	2,453,462	219,343
Outstanding remittances for 1890 ..	886,147	21,835
General and extraordinary revenue, 1891 ..	75,501,077	498,240
Issue of the consolidated debt	..	9,610,177
,, ,, Buenos Ayres Port Bonds	..	2,499,398
,, ,, Treasury Bonds	..	871,570
Minor issue and interest	5,292,664	..
Sale of lands	273,003	239,592
,, shares of Central Argentine Railway ..	..	247,829
Various receipts	160,040	5,960
European bankers	..	173,012
Baring Brothers	..	494,536
Payments of national bank	..	1,424,373
Total	84,566,396	16,205,871

PAYMENTS.

	Amount.	
	Dollars Paper.	Dollars Gold.
Payments as appropriated in the Budget and extraordinary votes	46,240,058	21,642,427
Sums not yet appropriated	..	5,354,182
Debts from preceding years paid..	5,867,160	2,809,402
Treasury bills amortised	4,645,169	..
Notes burnt	1,248,032	..
Purchase of shares of Central Argentine Railway	..	880,738
Interest due from the National Bank and the Bank of the Province of Buenos Ayres not paid into the Treasury	684,362	62,873
Balance carried over to 1892	6,860,773	333,613
Total	65,545,554	31,083,23
To be deducted, sums voted in 1891 which pass to 1892 as exigible debt	8,123,874	6,951,886
Actual expenditure, 1891	57,421,679	24,131,351

These tables show a surplus in paper of 27,144,716 dol. and a deficit in gold of 7,925,480 dol.

Señor Hansen considers these two sums as balancing each other, and remarks, with great truth, that owing to the fluctuations in the value of paper, and to the fact that many of the payments in gold have been effected at the equivalent rate in paper, it is almost impossible to show an exact balance. For this reason I have not attempted to convert these tables into sterling.

No asset, according to Señor Hansen, is included in the balances given in these tables which is at all open to doubt, such as Treasury deposits in the National Bank.

The issue of the Consolidated Debt consists of the accounts with the house of Morgan up to the end of 1891, and it is applied to the service of the debt and to railway guarantees.

It is shown at its nominal value, as it is given in payment for these services at that rate.

The item of 2,499,398 dol. gold, shown as the return for the bonds of the port of Buenos Ayres, represents the actual sum paid in this form, not the quantity of bonds issued, these being taken by the contractors at their quoted value.

Revenue and expenditure, 1891. Observations respecting.

The same applies to the 247,829 dol. gold produced by the sale of Central Argentine Railway shares, the nominal value of which was 544,320 dol. gold.

The 5,354,182 dol. gold, shown as the second item in the table of expenditure, represents the service of the debt and railway guarantees paid in bonds of the Consolidation Loan, the accounts of which have not been made up in time to be included in the yearly statement. This delay is owing to the fact that

these bonds are delivered directly in Europe by the Government Financial Commissioner.

The last item consists of debts of 1891 which were carried over for payment in 1892, and represents service on the 4½ per cent. public funds in the possession of the guaranteed banks, payable in consolidated bonds and in about 2,000,000 dol. paper destined for the withdrawal of the issue of the provincial banks of Buenos Ayres, Cordoba, and others.

Thus, deducting the receipts and payments which may be regarded as "eventual," the statement for 1891 appears as follows:—

RECEIPTS, 1891.

	Amount.	
	Dollars Paper.	Dollars Gold.
Balance of 1890	2,453,462	119,343
Outstanding revenue (rentas pendientes) ..	886,147	21,835
General revenue	75,501,077	498,240
Sale of lands	273,003	..
Various receipts	160,040	5,960
	79,273,729	645,378
Issue of consolidated debt	..	9,610,177
Total	79,273,729	10,255,555

EXPENDITURE, 1891.

	Amount.	
	Dollars Paper.	Dollars Gold.
Expenses of administration	46,240,058	26,996,609
Notes burnt	1,248,032	..
The part of the expenditure on port works paid in bonds is deducted, as it is not shown in receipts	..	2,499,398
Total	47,488,090	24,497,211

SUMMARY.

	Amount.	
	Dollars Paper.	Dollars Gold.
Receipts in paper	79,273,729	..
Administrative expenses	47,488,090	..
Surplus in paper	31,785,639	..
Expenditure in gold	..	24,497,211
Receipts „	..	10,255,555
Deficit in gold	..	14,241,656

Taking gold at 360 per cent.* as the average rate of the 12 months the following result is obtained :—

	Amount.
	Dollars Paper
Gold deficit 14,241,656 dol., at 360 per cent. =	51,269,961
Paper surplus..	31,785,639
Actual paper deficit	19,484,322

Or taking gold at the same rate—

	Amount.
	Dollars Gold.
Gold deficit	14,241,656
Paper surplus..	8,829,344
Actual deficit in gold	5,412,312
	= 1,082,462*l.*

Señor Hansen observes that it should not be forgotten that about 4,500,000 dol. gold were paid for the port works and for the purchase of ships and armament in execution of previous contracts which had to be respected.

If these payments, which ought strictly to have been met by extraordinary votes, be deducted from the expenditure of the year, the deficit remaining would be about 3,000,000 dol. paper, which is almost covered by the minor issue made during the year, and by the interest accredited to the Government on this account by the National Bank.

Note issue. Banks, currency, and circulation.

The basis of the fiduciary issue of the Republic, says Señor

* Señor Hansen gives elsewhere (page 117) 391 per cent. as the average for 1891.

Hansen, is an adaptation of the North American system of guaranteed national banks, with variations due to the different positions of the two countries at the time of the institution of those banks. In the United States the idea was to "locate" the mass of public funds which had been necessitated by the war.

The situation in the Argentine Republic at the time of the origin of these banks was very different.

Fiduciary issue originated in "Crisis of Progress."

There was no fiduciary money issued by the nation. The financial position of the Government was strong; the only inconvertible paper was that of the banks of issue, and they were responsible for it.

Local industries sprang into existence, and a large part of the circulating medium being absorbed in Bourse speculation, a cry arose for greater banking facilities.

The question was whether to create a national guaranteed issue or to allow each province to establish local banks of issue.

The first alternative was chosen to avoid the dangers of the second, and the national guaranteed banks were established by law in November, 1887, on the basis of a national issue, guaranteed by national funds, which were to be delivered to the banks in proportion to the public funds which they might acquire.

Señor Hansen considers the weak points in this scheme to be:—

(1) The provinces had no capital wherewith to purchase public funds, and were thus tempted into a system of European loans.

(2) There did not exist sufficient public funds to guarantee the quantity of notes desired, and a special debt had to be created with this object.

(3) The Law did not provide for the employment of the stream of gold flowing to the Treasury in payment of this new debt, and which might have been employed in redeeming the External Debt.

Besides, though the national credit was not compromised, that of the provinces was, and at more disadvantageous terms than the State might have obtained. When the crash came, the provincial discredit reacted on the Central Government.

I will not follow Señor Hansen in tracing the history of these banks as Mr. Herbert has already reported as to their position. (No. 1000, Annual Series, 1892.)

Paper issue in circulation.

Señor Hansen states that at the beginning of 1891 the authorised issue amounted to 251,628,645 dol., and that on May 31, 1892, the issue was 255,304,302 dol. In June it had reached 262,498,075 dol.

The issues of 1891 differ from those previously made. The 5,000,000 dol. for the Mortgage Bank represent a claim of the Caisse de Conversion against the National Bank, to be covered by the liquidation of the latter.

Of the 50,000,000 dol. authorised issue on behalf of the newly-formed bank of the Argentine nation, the bank had only received 12,000,000 dol. up to June last.

In April, 1891, the quotation of gold on the Bourse which had been suspended since November 24, 1890, was again resumed. The following are the average monthly rates of gold up to June last, as given by Señor Hansen:— Fluctuations of gold, 1891–92.

Months.	Premium on Gold Per Oz.
1891—	
April	337·94
May	388·32
June	382·18
July	379·72
August	399·38
September	412·90
October	427·03
November	360·06
December	376·03
1892—	
January	381·56
February	363·13
March	345·31
April	339 78
May	330·00
June	316·43

As regards metallic currency Señor Hansen appears to be somewhat in favour of bimetallism. He is afraid of a gold standard, as he thinks the enormous power of attraction of the great European markets would soon drain the Republic of its stock of gold. The Republic, he says, does not require gold or silver as international currency (its foreign debts being covered by exports), and "in order to give a basis to the fiduciary issue silver is more suitable than gold, as it is less likely to be attracted away." Coinage.

Señor Hansen puts the value of the metal coined for circulation at about 34,000,000 dol., but presumes that only a small portion of this amount is actually circulating in the country.

One of the difficulties which prevent the Ministry of Finance from forming an exact idea of the situation is the absence of data respecting the business of private banks, in which has been concentrated the commercial life of the country since the fall of the State banks in 1891.

Señor Hansen regrets that the new Banco de la Nacion was so coldly received; it is now a State institution. "In spite of being administered by a board of directors entirely appointed by Government, and in spite of having no other capital than power to issue notes, this bank prospers; it is generally admitted to be well and honestly managed, and is extending its sphere of action day by day." Banco de la Nacion Argentina.

In six months it is stated to have opened 51 branches throughout the country with a capital of 15,000,000 dol.; it has discounted to the extent of 50,000,000 dol.; at the end of the

half-year its portfolio showed a sum of 28,426,000 dol. in negotiable bills, and the deposits of the public amounted to 20,000,000 dol.

The Government has carefully established relations with the bank on the basis of the perfect autonomy which the latter is intended to assume in the future.

Banco Hipotecario Naçional.

The National Mortgage Bank, the difficulties of which Señor Hansen attributes entirely to its issue of cedulas in gold, and which were directly caused by the rise in the gold premium from 150 per cent. to over 300 per cent., showed the following balance-sheet in September, 1891:—

BANCO Hipotecario, September, 1891.

	Amount.	
	Dollars Gold.	Dollars Paper.
Cedulas issued	20,000,000	90,000,000
„ annulled or repurchased	983,000	11,656,000
Loans represented by cedulas in circulation ..	19,345,700	80,902,000
Outstanding debts	1,603,815	4,180,752

Gold cedulas bear 5 per cent. interest, 1 per cent. for sinking fund, and 1 per cent. annual commission. Paper cedulas bear 7 per cent. interest and the same percentage for sinking fund and commission.

Thus it appears that the arrears in gold represent nearly 5 quarters' service, and those in paper about 2 quarters.

In this difficult position the bank invoked the intervention of Congress, which was ultimately accorded. The Law of October 13, 1891, gave 90 days law and immunity from "punitory" interest, for six months, to debtors in paper. The Law of October 20 granted the bank a reprieve of two years, during which its creditors were to receive 5 per cent. gold national public funds in lieu of cash, thus facilitating the conversion of debts in gold by debts in paper, with 8 per cent. interest, and also provided that arrears of interest should be payable in gold cedulas at par.

By these means the situation of the bank, says Señor Hansen, has considerably improved, and he does not anticipate that it will find any difficulty in resuming the suspended services when the settling day comes round in October, 1893. It is to be hoped that such will be the case. The statement of the bank on May 31, 1892, was as follows:—

BANCO Hipotecario, May 31, 1892.

Description.	Amount.	
	Dollars Gold.	Dollars Paper.
Cedulas in circulation	16,457,600	75,321,700
„ annulled and repurchased	3,542,400	14,378,300
Loans represented by cedulas in circulation	8,383,950	78,651,000
Loans represented by gold debts converted into paper	..	9,437,970
Arrears, outstanding debts	907,172	5,459,225

The profits (utilidades) of the bank in 1891 amount to 853,875 dol. paper and 157,451 dol. gold, and counting these items the reserve fund reaches 3,486,909 dol. paper and 548,393 dol. gold.

The Law of October 20, 1891, assigned 5,000,000 dol. paper to the bank as reserve capital, so that with this sum and the profits the bank possesses a sum of 2,000,000 dol. paper in excess of the paper arrears. The arrears in gold show, as regards the gold reserve fund, a deficit of 360,000 dol.

National Debt.

Señor Hansen gives the following statement of the National Debt up to March 31, 1892. I give it in full, as the statement shown in Mr. Herbert's report already mentioned is dated December 31, 1890:— National Debt.

National External Gold Debt up to March 31, 1892.

Name of Loan.	Amount.	English Name of Loan.
	Dollars Gold.	
Empresto Ingles 1824 ..	1,232,784	6 per cent. English Loan, 1824
„ de Ferro Carriles, 1882	2,235,945	6 per cent. Railway Loan, 1881
Empresto del Banco Naçional, 1882	7,627,032	5 per cent. Loan, 1884
Empresto de Obras Publicas, 1886	39,035,200	5 per cent. Customs Loan, 1886
Empresto Conversion de billetes de Tresoreria, 1887	3,007,620	5 per cent. Treasury Conversion, 1887
Empresto Conversion del 6 % 1888	25,818,811	4½ per cent. Conversion, 1889
Empresto Conversion "Hard Dollars," 1889	12,842,524	3½ per cent. External, 1889
Empresto Prolongaçion F.C.C.N. 1a Serie	19,350,072	5 per cent. Northern Central Railway Extension, First Emission, 1887, 1888, and 1889
Empresto Prolongaçion F.C.C.N. 2a Serie	14,771,250	5 per cent. Northern Central Railway Extension, Second Emission
Empresto Obligaciones del Puerto Madero	3,479,671	Madero Port Works
Empresto Obras de Salubridad	31,875,000	City Improvements
„ Consolidaçion 1891 75,000,000	15,150,000	6 per cent. Funding Loan, 1891
Empresto Banco Naçional, 1886	9,714,600	..
Empresto Banco Provincia de Buenos Ayres, 1887	18,768,400	4½ per cent. Internal Gold Loan, 1888
Total	204,958,909	
Equivalent in sterling* £	40,991,781	

* 5 dol. gold = 1*l*.

National Internal Gold Debt, March 31, 1892.

Description.	Amount.	
	Dollars Gold.	Dollars Gold.
Public funds (4½ per cent.) Law of Guaranteed Banks—		
Bank of Province of Buenos Ayres.. ..	32,958,575	
„ „ Cordoba	8,696,653	
		41,655,228
Belonging to the National Treasury—		
Provincial Bank of Salta	4,423,071	
„ „ La Rioja	3,000,000	
„ „ Santiago del Estero ..	3,766,400	
		11,198,471*
Belonging to the National Bank—		
Bank of Buenos Ayres, also belonging to National Bank	..	1,500,000
Provincial Bank of Tucuman	3,714,286	
„ „ Mendoza	3,000,000	
„ „ San Juan	1,656,000	
„ „ Catamarca	2,390,400	
„ „ Corrientes	3,163,500	
„ „ San Luis	630,000	
		14,554,186
„ „ Santa Fé	..	10,805,653
„ „ Entre Rios	..	6,980,392
British Bank of South America	..	250,000
German Transatlantic Bank	1,000,000	
Bank of Italy and River Plate..	1,000,000	
French Bank of „	500,000	
Sum amortised	2,500,000	
To be deducted	47,500	
		2,452,500
Total amount of public funds bearing 4½ per cent. interest	..	89,396,430
Balance of debt to foreigners of 1857 (not shown)	..	10,211
Total	..	89,406,641
Approximately .. .. £	..	17,881,328

* There is probably a misprint in one of these items, as the total is 11,189,471 dol. gold.

Internal Debt.—Paper.

Description.	Amount.
	Dollars Paper.
National Public Funds, Law 1881	537,954
„ „ „ 1884	646,300
„ „ „ 1861	91,760
„ „ exchange of shares of the National Bank, authorised issue	15,000,000
Internal Loan, 1891 (calculated at 75 per cent. on 36,935,100 dol. in circulation)	27,717,075
Total	43,993,089

Floating Debt, June 30, 1892.

Description.		Amount.	
		Dollars Gold.	Dollars Paper.
Treasury bills		604,938	4,614,861
Accounts in Europe—	£		
Baring and Co.	536,833		
Other banks	149,200		
	686,033 =	3,457,606	
Debts in suspense or exigible debt, say		3,979,654	6,000,000
Total		8,042,198	10,614,861

Description.	Amount.
	Dollars Paper.
Minor issue for which the Treasury is responsible	8,500,000

Summary.

Description.	Amount.	
	Dollars Gold.	Dollars Paper.
External debt	204,958,909	..
Internal „	89,406,641	43,993,039
Floating „	8,042,198	10,614,861
Minor issue	..	8,500,000
Total	302,407,748	63,107,950

TABLE showing the Foreign Debt of the Provinces and Municipalities up to December 31, 1891.

Description.	Amount.	
	Dollars Gold.	Dollars Gold.
PROVINCIAL EXTERNAL DEBT.		
Province of Buenos Ayres—		
Loan Debt Conversion, 1881	18,106,667	
„ Riachuelo Works, 1881	996,370	
„ Ensenada Port, 1883	10,412,614	
Paper Money Consolidation Loan, 1885.. ..	11,678,218	
		41,193,869
Province of Santa Fé—		
Railway Loan, 1884	5,440,680	
„ „ 1886	11,043,144	
„ „ 1888	9,954,000	
Additions to rolling stock	5,040,000	
Consolidated guarantee Provincial Bank of Santa Fé	3,000,000	
Loan, 1883 6,366,879		
„ 1888 9,878,400		
	16,245,279	
		50,723,103
Province of Entre Rios—		
Loan, 1886	3,905,163	
„ 1888	5,922,000	
Payment to Morton Rose, 1891	2,000,000	
„ Entre Rios Central Railway Contract	1,750,000	
Consolidation of Services of Loans of 1888 and 1886	700,000	
		14,277,163
Province of Cordoba—		
Loan, 1884	2,902,973	
„ 1887	5,840,726	
„ 1888	9,924,219	
		18,677,918
Province of San Juan—		
External Loan	..	1,974,672
Province of Tucuman—		
External Loan	..	2,962,008
Province of Catamarca—		
External Loan	..	2,960,798
Province of Mendoza—		
External Loan	..	4,900,000
Province of Corrientes—		
External Loan	..	4,900,000
Province of San Luis—		
External Loan	..	756,000
Total	..	143,325,531
Equivalent in sterling .. £	..	28,665,106
MUNICIPAL DEBT.		
Municipality of Buenos Ayres External Loan ..	..	10,000,000
„ Parana External Loan	..	2,068,480
„ Santa Fé „	..	1,280,318
„ Rosario „	..	7,279,624
„ Cordoba „	..	3,968,000
Total	..	24,596,422
Equivalent in sterling .. £	..	4,919,284

SUMMARY.

Description.	Amount.	
	Dollars Gold.	Dollars Gold.
National External Debt	204,958,909	
Provincial „	143,325,531	
Municipal „	24,596,422	
		372,880,862
Services in arrears—		
Provincial	9,594,985	
Municipal	697,081	
		10,292,066
Total	..	383,172,928
Equivalent in sterling (5 dol. = 1l.)£..	..	76,634,585

Señor Hansen proceeds to analyse these figures. The following are his remarks respecting the 1886 customs loan:—

"The loan of 1886 was excluded from the consolidation agreement, ostensibly because it is supposed to possess a special claim on the customs revenue. . . . However, the privileged position of the 1886 loan is very questionable, because the contract relating thereto does not provide any particular appropriation, but only that the service of the loan shall be made directly through the National Bank by means of remittances, each being one-twelfth part of the annual amount, and that for this object the customs-house shall deposit, at the proper time, in the National Bank, the required proportion of its revenue. This is, in short, the contract, and by the letter thereof the appropriation of the customs revenue was in favour of the bank, which in its turn was answerable to the foreign creditor. It is evident, therefore, that the latter do not possess any direct claim on the above-mentioned revenue, and that, in any case, their legal position has materially altered since the fall of the bank."

1886 Customs Loan. Position of holders.

With regard to the arrangement of the moratorium, Señor Hansen says: "The basis of this arrangement was the issue of a new loan (Rothschild Funding Loan, 1891), the bonds of which should be given, at par, in payment of the services of the debt and railway guarantees payable by the Argentine Republic in Europe. This arrangement was to continue for three years, which period was considered sufficient for the country to extricate itself from its financial prostration. The service of the 1886 loan and the coupons of the new loan were excluded from this arrangement, and were to be paid in cash."

Moratorium.

Señor Hansen points out that this arrangement merely deferred the evil day. "After a year's experience," he says, "it is admitted that this system is not convenient, either for the country or for its creditors, as it merely means the accumulation of debt upon debt, and renders more difficult the ultimate solution of the problem." Further, the "quotation of the funding bonds has not been maintained as was hoped."

"For this reason," he continues, "the conviction has been arrived at that a new arrangement is necessary, based on the capacity of the country; an arrangement which shall fix the sum in cash, which the country can pay."

New arrangement necessary.

The majority of the loans included in the consolidation scheme bear interest at 5 per cent. or 4½ per cent., and seeing that the average quotation of bonds of the Funding Loan has been about 65 per cent., the holders of these loans have not received more than 3 per cent. to 3¼ per cent. interest, while the credit of the debtor suffers by the addition to his liabilities. These facts, in the opinion of Señor Hansen, will facilitate the task of the new administration in finding a solution of the difficulty.

Besides the foreign debts and railway guarantees expressly comprised in the arrangement, it is to be expected that the service of the 4½ per cent. public funds and of the law of national guaranteed banks will soon be included therein, in as far, at least, as these funds belong to provincial banks which have foreign debts; this inclusion has already begun, several provinces having made such arrangements.

Public 4½ per cent. Funds and Law of Guaranteed Bank Stock.

The greater part of the other provincial debts will probably be arranged in the same way, and the services which may be expected to be paid in funding bonds during the present year are the following:—

Description.	Amount.
	Dollars Gold.
National external debt	7,153,231
4½ per cent. public funds—belonging to bonds of the Provincial Banks	1,158,869
Railway guarantees	3,791,783
Total	12,103,883
Equivalent in sterling .. £	2,420,776

The total issue of the Funding Loan provided for by law and contract is about 15,000,000*l.*; however, supposing that it remains in force up to the end of 1893, as far as can be calculated from the payments made, and to be made, the issue will not exceed 8,500,000*l.*

Customs reforms.

Señor Hansen concludes his memoria by an account of the reforms which have been, and are to be, carried out in the customs administration.

A committee is now sitting to consider:

1. The subdivision of the customs into three categories in order to give greater facilities for export business, and nationalised goods.

2. The nursing of the national cabotage (coasting trade) and traffic carried on by sailing ships, as well as the generalisation of the so-called "packet privileges."

3. The modification of the cumbersome and inconvenient

system of customs administration, by simplifying as far as possible the clearance of goods, and securing a better collection of the revenue, which is to be the subject of a new regulation.

4. The institution of tribunals to consider all cases of infraction of the customs regulations.

President Pellegrini is said recently to have stated that the cost of the customs administration was 50 per cent. of the revenue resulting therefrom.

If this be true it is evident that the committee, which has been sitting since July, 1891, will find no difficulty in proposing reforms, and it is to be hoped that, when proposed, they will be carried out. It is evident that something has already been done in this direction, as many of the mercantile community have petitioned the President-elect, Dr. Saenz Peña, not to remove Colonel Baibiena from his post as head of the customs.

A radical reform in this department would doubtless be of enormous benefit to commercial interests, and would add to the revenue, of which the country stands so much in need.

As an annex to this review, I enclose a summary of the National, Provincial, and Municipal External Loans taken from the Nineteenth Annual Report of the Council of the Corporation of Foreign Bondholders for the year 1891.

This summary contains much information in a condensed form, and ought to be thoroughly reliable.

SUMMARY of Argentine Debt (extracted from Table Published in the Report for 1891 of the Council of Foreign Bondholders).

Description.	Amounts Outstanding.			Annual Service with Sinking Fund.		
	£	£	£	£	£	£
1. National External Loans—						
a. Loan not in default ...	7,755,000	...	...	499,980		
b. Included under Funding Scheme	23,015,930	...	...	1,546,116		
c. Funding Loan (amount issued April, 1892, out of 14,800,000*l.* authorised) ...	3,000,000	...	...	180,000		
		33,770,930	...		2,226,096	
2. National Railway Guarantees—						
Capitalised at, say	...	16,000,000	...	...	921,000*	
3. National Cedulas—						
Currency (gold at 300 premium)	4,084,000	...	...	360,000		
Gold	3,922,740	...	...	240,000		
		8,006,740	...		600,000	
Total	...		57,777,670	...		3,747,096
4. Provincial Loans—						
Buenos Ayres	8,089,010	...	...	594,805		
Cordoba	3,679,300	...	...	264,992		
Entre Rios	1,939,500	...	...	140,000		
Santa Fé	5,403,800	...	...	351,876		
Tucuman	587,700	...	...	42,000		
Catamarca	587,460	...	...	42,000		
Corrientes	984,640	...	...	70,000		
Mendoza	972,000	...	...	69,444		
San Luis	146,860	...	...	10,500		
San Juan	391,800	...	...	28,000		
Salta	970,000	...	...	70,000		
La Rioja	780,000	...	...	56,000		
Santa Fé (bonds of Territorial Bank)	1,929,300	...	...	129,220		
		26,461,370	...		1,868,837	
5. Provincial Cedulas—						
Currency (gold at 300 premium)	14,016,498	...	...	1,696,870		
Gold	977,780	...	...	68,740		
		14,994,278	...		1,765,610	
Total	...		41,455,648	...		3,634,447
6. Municipal Loans—						
Buenos Ayres	3,243,560	...	...	201,991		
Cordoba	793,600	...	...	55,552		
Paraná	406,200	...	...	26,609		
Rosario	1,190,400	...	...	83,328		
Santa Fé	257,900	...	...	18,053		
Total		...	5,891,660		...	385,533
Grand total... ...	...	...	105,124,978	...	...	7,767,076

* Guarantees for 1892.

N.B.—The above is exclusive of Internal and Floating Debts, paper currency, and guarantees to industrial enterprises. Some of the provinces are believed to have additional liabilities on account of cedulas and guarantees to railways.

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ARGENTINE REPUBLIC.

REPORT FOR THE YEAR 1892

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1068

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Reference to previous Report, Annual Series No. 1068.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Welby to the Earl of Rosebery.

My Lord, *Buenos Ayres, November* 20, 1892.

I HAVE the honour to transmit herewith to your Lordship a most comprehensive and able Report by Mr. Harris Gastrell on the Economic Position of the Argentine Republic and Conditions of Labour for the present year, which has been forwarded to me under flying seal by Mr. Consul Bridgett.

Mr. Vice-Consul Gastrell has devoted much time and care to the compilation of this Report.

I have, &c.

(Signed) GEORGE E. WELBY.

Consul Bridgett to the Earl of Rosebery.

My Lord, *Buenos Ayres, November* 20, 1892.

I HAVE the honour to enclose herewith for your Lordship's information a Report by Mr. Gastrell, British Vice-Consul and Immigration Agent at Buenos Ayres, on the "Economic Position of the Argentine Republic and Conditions of Labour, 1892," together with his covering Despatch, in which he points out that the official values of the Argentine Statistical Publications, as also other figures, are sometimes misleading.

I have, &c.

(Signed) RONALD BRIDGETT.

Vice-Consul Gastrell to Consul Bridgett.

Sir, *Buenos Ayres, November* 10, 1892.

I HAVE the honour to transmit to you herewith a Report on the "Economic Position of the Argentine Republic and Con-

ditions of Labour in 1892," which I have endeavoured to make as correct as the means at my disposal will allow.

The statistics of the Argentine Government have been carefully compiled, but, owing perhaps to the difficulty of obtaining accurate returns with the small funds now at their disposal, do not seem to be always quite reliable. In dealing with commerce especially the values there given seem open to much criticism. Those values should be looked upon as not absolutely correct but as indicating rather the relative values of trade for each item of import or export. Quantities are the only true criterion, and have, therefore, been made use of wherever practicable. In Argentine commercial statistics the maritime origin only of the goods is taken into account, not their real origin, so that the trade returns of any given country are sometimes credited with goods which in reality were only in transit from some other country.

My best thanks are due to the six British Vice-Consuls in different parts of this Republic, who have so kindly afforded me valuable assistance in obtaining reliable information on the state of Labour in their respective Districts.

I have, &c.

(Signed) WILLIAM S. H. GASTRELL.

Report on the Economic Position of the Argentine Republic and Conditions of Labour in 1892.

ABSTRACT of Contents.

	PAGE
Précis of report and commercial treaty negotiations	3
General condition of the Argentine Republic	13
Population, Post Office, and Justice	13–15
Amalgamation of foreigners and Argentines	16–24
Condition of the city of Buenos Ayres	25
Chicago Exhibition and Argentine exhibits	28
Stock-raising	29
Agriculture	35
Joint Stock Companies	42
Transfer of real property	44
Navigation	49
Ports of the Republic	53
Railways	59
State of labour	60
Education	60
General condition of the working classes	63
Cattle and sheep raising—Province of Buenos Ayres	72
Agricultural farming—Province of Santa Fé	76
Immigration and emigration	77
General	77
Jewish colonisation by Baron Hirsch	83
Commerce	87
General state of commerce	87
Foreign trade	89
Imports	96
Exports	111
Trade in 1892	115
Finance—	
National debt and revenue	119
Table of weights and measures	121

Précis of Report.

The Argentine Republic, since the year 1881, has progressed economically to a wonderful extent. Its too rapid prosperity up to the year 1890 led to the financial and economic crisis of that year which became acute in 1891, and from which it has not yet recovered to any great extent. This country represents an area of nearly one-third of Europe, with a population of only some 4,000,000. M. Leroy Beaulieu, the French economist, considers that 20 years hence there may not be many unoccupied or cheap lands in the Argentine Republic, and that the 30,000,000, estimated by Mr. Richet in his recent book, "Phénomènes économiques probables dans l'avenir," as the population of the Argentine Republic in 1992, and founded on the rather arbitrary assumption that present phenomena will continue throughout the next 100 years, is much more probable than Mr. Richet's figures for European countries. With a normal progress of population, it seems likely that in the course of several generations South America must become a great field for European emigration. But at present the population of this Republic is small, and its state economically and financially can hardly be called satisfactory. Moreover, the crisis was social as well as economical and financial; and a complete recovery must be the work of years. The continually varying gold premium has upset the whole internal economy of this Republic, and to recover its equilibrium will require great ability on the part of its rulers during the remainder of this century.

The years 1881 to 1891.

Future population.

Present state of Republic.

The economic position of the Argentine Republic to-day will now be briefly reviewed, dealing first with its general condition; then with the state of labour, of immigration, and of commerce, and concluding with a few words on its financial situation.

Scope of report.

The postal correspondence of the Argentine Republic in the last 5 years has increased over 300 per cent., and, as compared with European countries with regard to the amount of correspondence per inhabitant, stands very high in the scale of importance.

Post Office.

The administration of justice is not satisfactory, according to the Minister of Justice's report this year, chiefly because of the great block in the law courts of the federal capital of Buenos Ayres, where there are apparently about 42,000 law suits now pending. During last year only about one-fourth of the total cases before the courts were settled. There is urgent need of an increase of judges to expedite the administration of justice in all its branches, especially for dealing with commercial lawsuits.

Administration of justice.

Civil marriage, a new institution in this country since 1889, is a success, and is yearly increasing, while the religious marriage is decreasing. To the Argentine Republic the marriage rate and consequent births are important factors in its economic development; and the frequency of marriage between Argentines and foreigners is valuable as showing the extent to which Argentines and foreigners are amalgamating—a process which may have an important influence in the future on its social and political con-

Amalgamation of Argentine and foreign populations.

ditions. The marriage rate has increased 30 per cent. from 1887 to 1890, falling but slightly in 1891. In the years 1882 to 1891 the marriages between Argentines only increased 61 per cent., whereas between Spaniards, Italians, and French people the increase was three times as great and more. The marriage rate amongst them was 11 per 1,000, as against a little over five per 1,000 only for Argentines. Italian marriages predominated, forming 30 per cent. of the whole. The percentage of foreigners marrying Argentine wives is decreasing; but Argentine men are marrying a great many more foreign women than they did formerly, so that, on the whole, the foreign and native races are amalgamating now more than before. The general birth-rate has also risen considerably, the yearly average being high. The lowest rate is to be found among Argentines, Argentine births only forming 10 per cent. of the whole. By law all persons born in the Republic are Argentine subjects. But 89 per cent. of the births are of foreign parentage, which shows the enormous and continually increasing preponderance of foreign nationalities, and the extent to which they are gradually overwhelming the purely Argentine population.

Deaths.

The death rate is an average European one, but the proportion of deaths from contagious and infectious diseases is enormous. Amongst Argentines, which includes children born of foreign parents, the death rate is more than double that of foreigners, and is, therefore, according to the statistics of the city of Buenos Ayres, nearly as large as the average birth rate of the whole population. So that the purely Argentine population seems not to be increasing, and may even be diminishing, though the population of the Republic, as a whole, is rapidly increasing both naturally by births, and usually artificially by the excess of immigration over emigration; last year, in this respect, being an exceptional case, with an exodus of 27,000 persons.

Condition of the city of Buenos Ayres.

In the Federal capital of Buenos Ayres, with a population of about 500,000, or one-eighth of the whole population of the Republic, a proportion which is to be regretted in an essentially pastoral country, rent of every description is excessively high, and weighs heavily on the working classes, who are crowded together in unhealthy lodging-houses. Crime is greatly on the increase, and the prison records show large additional inmates in late years. Traffic of every kind has suffered since 1889, except for tramways, which show a marvellous development.

Chicago exhibition.

An exhibition of all the exhibits for the Chicago Exhibition is to be held shortly in this capital; it is hoped to make a good show of the products and resources of this country at the World's Fair next year, with a view to making Argentine productions more widely known and appreciated.

Stock-raising.

The products of stock-raising have always been the staple produce of the Argentine Republic. It stands at the head of almost all countries as regards its possessions of cattle, sheep, and horses. The quality and condition of all stock have, in late years, been immensely improved by the importation of valuable foreign

animals. Some special trades, such as export of frozen mutton and of preserved meats of various kinds, show a remarkable expansion.

Agriculture. Agriculture in recent years has assumed vast proportions, and is yearly increasing in importance. The estimated export of wheat in 1891 was five times as large as in 1885; and the area under wheat is believed to be nearly 3,000,000 acres, or nearly one-third of the whole area under cultivation in 1892. The crop prospects for the next season are only fairly good, but as crops in some parts of the world do not seem particularly promising this year, a ready sale of Argentine wheat is expected.

Transfer of landed property. Dealing with the question of transfer of landed property, it is noted that speculation in lands increased greatly with the too rapid prosperity of the Argentine Republic up to 1890. The public were misguided by the superficial and exaggerated development of the whole country, and were led into every kind of speculation in which land played a chief part. 120 joint stock companies (Sociétés anonymes) were formed in Buenos Ayres in 1889, with a total nominal capital of some 150,000,000*l.*, of which probably 40 per cent. covered land speculations. The shares of almost any company, formed for any fantastic purpose, were bought up by a too credulous public thirsting for rapid wealth; and the Argentine Republic, for a short time, became the scene of a veritable "South Sea Bubble."

Transfer to foreigners. A considerable transfer of Argentine property to foreigners has and is taking place; and the number of foreign proprietors of land all over the country appears to be rapidly increasing, and that of Argentines to be diminishing. The largest total transfers in the city of Buenos Ayres have been to Italians, Spaniards, and Frenchmen; but Englishmen have bought, individually, the largest properties, and Italians the smallest.

Transfer to immigrants. With regard to the purchase by immigrants of small lots of land, they should be exceedingly careful to ascertain before purchase that the so-called owner of the land for sale is the real landlord. It has often happened that the persons from whom immigrants have bought concessions, on terms of yearly instalments, had previously or subsequently mortgaged that land, and were therefore only the owners thereof in name. So that when the immigrant had completed his yearly payments, the title-deeds could not be handed to him because of the mortgage effected on the said land.

Navigation. Navigation has more than trebled in the last 8 years, and foreign trade may be put at 4,000,000 tons in 1891, of which British shipping formed three-fifths, according to Argentine statistics. Internal navigation has remained about stationary. The year 1891 shows a considerable decline over 1890, and this year, 1892, a slight revival. All the ports of the Republic have progressed in late years, but particularly Rosario. A new port, La Plata, practically a secondary port to the city of Buenos Ayres, was opened for large steamers in 1891. Enormous sums have been expended on the port works of Buenos Ayres and La Plata, and neither appear to be entirely satisfactory.

Advantages of Argentine flag.

The advantages of flying the Argentine flag in local trade is now great, as all charges on shipping are about three times as heavy for ships under a foreign flag as for those under the Argentine flag. The number of Argentine ships are, therefore, increasing, local companies placing all their ships on the Argentine registry from motives of economy.

Railways.

Railways have rapidly developed both as to length and distances run, even up to 1892, in spite of the large decrease of traffic. It is estimated that 90 per cent. of Argentine railways belong to English companies, and that the capital invested in all lines in this country in 1891 was 74,000,000*l.*, the net profits being only $1\frac{1}{4}$ per cent. on the capital invested, according to the official railway report for 1891. In that report it is stated that 13 railways out of 27 railways were then running at a loss. The earnings this year have, however, improved somewhat; but with these facts before the public, no more capital is likely to be invested in Argentine railway enterprises for some years to come.

State of labour. Education.

The Argentine educational system is adapted from that of the United States. There is free primary education for all children and their attendance is obligatory from the ages of 6 years to 14 years. It gives them a useful and elementary education. Higher education is to be had free of expense in the national colleges and universities. All education in this Republic is free, compulsory, and secular. The state of education here does not seem to be entirely satisfactory, especially in the higher branches; a very small proportion of the pupils and students finish their courses. The average rate of university students in this Republic is only 20 in every 100,000 persons, whereas in France it is at least double that. A recent report of the Minister of Education asserts that the national colleges do not fulfil the requirements of the Argentine Republic. It recommends their abolition, the education being superficial, and, in their place, the establishment of schools of three kinds, namely commercial, agricultural, and others where practical trades and occupations can be learned. It also proposes a uniform charge of 10 dol. (12*s.* 6*d.*) a month, for board, lodging, and education of each pupil in those schools while learning to be useful citizens. The Minister of Education emphatically condemns the present superficial educational system in a country where "every man ought to earn his bread by the sweat of his brow." The Argentine Government is now establishing, with special grants, agricultural schools in some of the provinces; and there is also now a proposal before the Provincial Government of the province of Buenos Ayres to establish schools for teaching a practical knowledge of cattle and sheep raising. A national commercial school has just been founded in the capital of Buenos Ayres. These schools are a step in the right direction and might, with advantage, be greatly extended.

Commercial and agricultural schools.

The condition of labour.

In former years labour of every description in the Argentine Republic was extravagantly well paid; and it is not surprising that European populations, earning low wages, should have been

attracted out here a few years ago. In the years 1885 to 1889 it was worth while to emigrate to the Argentine Republic to earn wages. They were then excessively high. Small competencies were made occasionally in a few years' time by emigrants who were fortunate in trade or agriculture. Some acquired small properties rapidly and settled here; others returned to Europe with their gains. But after the year 1889 a great change took place. Fall of wages. Wages in paper currency (in which all payments are made unless under special gold contracts) remained the same; but their value in gold came to be only about a half at the end of 1889 and only one-fourth in 1891, owing to the rapid depreciation of that paper money. The result was disastrous to former immigrants wishing to return to Europe with their savings, earned in paper. The depreciation did not so seriously affect those permanently residing in this country, except in so far as they might buy imported articles, only to be purchased at gold rates. Wages, therefore, on a gold basis fell steadily to a culminating point in 1891. They have recovered somewhat this year from a double cause, a fall in the gold premium and wages in paper having increased somewhat in amount. Wages in 1891 were excessively low, and compared most unfavourably with wages in England; and do so still, except, perhaps for good domestic servants, who are in great request. With possibly this exception, it appears to me to be still most unadvisable for any British person to emigrate to this country merely to earn wages. Inadvisable for Englishmen to emigrate to earn wages. For other nationalities it is different; they are more economical, require less and give greater satisfaction to their employers than the English working classes, judging by their bad record in this country. Wages, valued in gold, have this year risen some 25 per cent. over last; and there is, no doubt, that there are now openings for foreign workmen who, from race, ideas, education, and similarity of language are suited to this country's requirements, such as the Italian "par excellence." Moreover, that this is the case is shown by the Italian immigration which is now again flowing towards this country in considerable numbers, and which may be looked upon as supplying, almost exclusively, the lower classes of labour in the Argentine Republic. Several thousands of them are now on their way out here from Italian ports, and have probably, many of them, friends in this country who know of work suitable for them. Prospects of Italian emigrants.

The Argentine Republic offers excellent prospects to agricultural farmers with small capital. Land and labour are cheap, and profits are high. In the province of Santa Fé agriculturists, even without capital, have done remarkably well formerly, many becoming the owners of several hundred acre farms in a few year's time. Wheat has become an important export and is yearly increasing. The climate and soil are favourable for agriculture, and crops are more easily grown than in Europe. Openings for agriculturists with capital.

The class of labour required to-day is different to what it was formerly. The recent financial and economic crisis suddenly restricted the demand for every class of labour; the supply even greatly exceeded the demand, and thousands were thrown out of Change in class of labour required.

employment. The production of luxuries practically ceased. Strict economy came to be practised in every public and private enterprise. Many employés, of every calling and nationality, were dismissed and found themselves without work and with no prospect of obtaining any in the future. Labour in the towns is now, practically, only required to produce necessities or such articles as an ordinary standard of comfort requires, and not to manufacture articles for the extravagant and showy luxury of all the upper classes, as in past years of exaggerated prosperity.

The distressed classes in 1891.

One great difficulty with the distressed classes in 1891 was that they were not desirous, or often able, to take up country work, having been only accustomed to a town life and its peculiar occupations. Those who were able and had savings mostly returned to Europe; some were sent home by public or private charity; others worked their passages back to Europe.

Material condition of the working classes.

The material condition of the working classes in the Argentine Republic cannot be said to be satisfactory at the present time. The cost of living in the towns is very dear as regards rent and imported articles, cheap as regards actual meat and necessary food; in the country living is exceedingly cheap and bad. Wages are low on the whole, and there is but little demand for labour, though there is no absolute want of demand and an excess of supply as during 1891. The decline of the gold premium has already increased the wages of the working classes in gold some 25 per cent.; it is hoped that the decline of the premium will continue, thereby benefiting the working classes both by enabling them to buy imported articles more cheaply and by increasing the gold value of any savings they may accumulate, and the purchasing power of every paper dollar they earn. It must, however, not be forgotten that prices of provisions, &c., having risen a good deal in paper dollars in the last two years, the cost of all living will gradually increase, as prices in paper are not likely to fall to their original figures. In the Argentine Republic foreign labour of every kind enjoys complete liberty, and is welcomed, as the benefit conferred by it is acknowledged by every one, and its necessity is self-evident. Though at times the Argentine may feel jealous of the foreigner, there is no real antipathy to foreigners, at any rate, of the working class. Without foreign capital and an increase of population by foreign immigration, this Republic cannot make any satisfactory progress.

Immigration and emigration.

The British labourer has not been a success in this country. He is too exacting in his wants, too extravagant in his living, and does not readily adapt himself to the necessities of the Argentine Republic. He is not like the Italian who, on arrival here, finds himself "en pays de connaissance." The Englishman here must expect a radical change in his manner of life, in his food, and in his lodging, to which he must conform in order to be successful. This he cannot do readily, and hence he starts at a great disadvantage as compared with other foreigners. British immigration has fortunately fallen-off greatly, even in the last two years, and is now quite unimportant. All immigration,

which up to the end of 1889 had (artificially aided by subsidised passages at a cost to the Republic of 800,000*l.*) been enormous, decreased in 1890 to less than one-half, and emigration doubled, the country only gaining some 27,000 persons in that year, and losing 29,000 in 1891 by the excess of emigration over immigration. The flow of immigration to this Republic is now again increasing, and shows a small surplus in its favour. It may, therefore, be considered that the effects of the crisis are beginning to pass away.

Jewish immigration.

The question of Jewish immigration is one of great interest, and is entirely a new question, which first attracted attention in 1891 from Baron Hirsch's benevolent scheme for settling European Jews on colonies in foreign lands.

This Republic has been selected as the field for this new enterprise, and large tracts of land have been bought, on which Jewish families are being gradually settled by Lieut.-Colonel Goldsmid, now Baron Hirsch's representative in this country. At first the Jewish colonisation scheme raised great discussion as to the advisability of permitting this Jewish immigration on political and social grounds; but at present it has been left entirely free, the Government having, it is stated, the right by special legislation to stop such immigration should it consider it necessary. The progress of this colonisation scheme should be one of great interest to those European nations whose populations emigrate to the Argentine Republic. The Jewish colonist starts here with great advantages, and is subsidised until such time as his crops enable him to pay back a portion of his debt to the Jewish Colonisation Association. It seems doubtful if the Jews can be successful agriculturists; a large portion of the arrivals here were not agricultural labourers, but often small trades people. Many of them unfit for colonisation have been sent back to Europe, others finding that hard manual work was expected of them returned there voluntarily. To offer an opinion on the probability of their success is impossible at present, as the colonies are only just getting into working order.

Intending emigrants to Argentine Republic.

Intending emigrants to this country should not fail to obtain the most recent information about the condition of labour in this country before emigrating, so as to avoid the many disappointments to which they have often been subjected in recent years.

Commerce, general state of.

Commerce, which had increased normally with the rapid prosperity of the Argentine Republic up to the beginning of the year 1890, received a check, and the total foreign trade diminished by some 2,000,000*l.* In that year the value of the imports diminished nearly 4,000,000*l.*, but that of the exports increased over 2,000,000*l.* according to Argentine statistics. The excess of the value of the imports over exports was nearly 8,000,000*l.* The results in 1891, the culminating year of the financial crisis, were far different. The total trade of the Argentine Republic only reached 33,000,000*l.*, according to official figures, and the excess in value of exports over imports was 7,000,000*l.* Imports in 1891, as compared with 1890, had diminished by 15,000,000*l.*, but

Trade in 1892.

exports had increased nearly 500,000*l.* The first six months of the present year 1892, as compared with those of 1891, show a satisfactory increase of 900,000*l.* for imports and of 800,000*l.* for exports. Commerce is, therefore, recovering slowly from the effects of the crisis. The value of imports have, according to official statistics, always greatly exceeded that of exports until 1891 and 1892, when the contrary took place. But it has often been pointed out that the official values may, as a whole, be fairly considered as valued some 50 per cent. too high, and those of exports 20 per cent. This would make a considerable difference, and make the real excess of value of the imports far less. There is no doubt that many articles imported are, in the custom-house tariff, valued far too high, such as tea, tobacco, paper, sugar, salt, rice, and iron, some of which are apparently over 100 per cent. too high.

The crisis in 1891 and its consequences.

The crisis in 1891 made internal commerce almost impossible from the paralization of all business, and from the continually fluctuating value of the depreciated paper currency. An apparently profitable business transaction, completed one day, might become a disastrous loss the next. Under such conditions business was almost impossible. Foreign commerce was, however, on a rather different footing, particularly as regards exports. It decreased somewhat in 1890, and immensely in 1891, as regards imports, recovering a little this year. But exports steadily increased from 1889 onwards, largely in 1890, slightly in 1891, and considerably this year. The exporter sold his produce, chiefly hides, wool, meat, tallow, wheat, &c., at a gold price based on the market value of those exports in a European market, and, therefore, gold. Besides being paid for his produce in gold, he obtained the additional advantage of paying all his labour and most of his articles of consumption in the depreciated paper currency which, in 1891, had fallen to a fourth of its original value. Commerce, as a whole, also suffered somewhat from the reduced consumption necessitated by the crisis. But the most serious loss to the Argentine Republic is no doubt the loss of confidence on the part of foreign countries and their consequent withdrawal of funds and credit. This, to a country like the Argentine Confederation, seems a serious impediment to its progress. It cannot be expected to progress much until it is again in a position to borrow capital with discretion, and has restored confidence in its resources and in its ability to pay its debts.

Principal imports and exports.

In dealing with the foreign commerce of this Republic quantities, not values, are the only true criterion of its trade, and are, therefore, quoted wherever possible in this report. As regards imports, woven and spun fabrics are by far the most important, forming usually some 20 per cent. of the whole. Building materials for railways and public works come next, and iron stands third. Between the three they form in value about a half of the whole importation. As regards exports, the products of stock-raising, agriculture and industries form about 95 per cent.

of the whole exportation, the products of stock-raising alone taking a good lead with from 60 per cent. to 70 per cent. of the whole.

Duties on imports have, since January, 1891, been made entirely payable in gold, and the average duty charged on the value of all imports is 30 per cent. These are chiefly ad valorem duties, which the late Argentine Finance Minister, Mr. Hansen, advises should be abolished. He considers that "specific" duties would be preferable and more satisfactory both to the State and to the merchant. Duties on exports were abolished in October, 1887, but were re-established in January, 1891, in order to raise a larger revenue wherewith to pay the nation's debts. These, as before, are levied on the products of stock-raising, such as wool, hides, &c. Duties on exports have always met with great opposition here, and their yield only amounted to 298,000*l.* in 1891. The duties on imports, which had steadily increased since 1885, and which are officially stated to have reached 6,294,000*l.* in 1889, fell to 3,954,000*l.* in 1890, and to only 2,408,000*l.* in 1891. Adding the duties on exports in this latter year, we find that the total customs revenue was only 2,706,000*l.* in 1891. This is serious for the Argentine Government, who derive their chief revenue from this source. Since 1889 the nation's debt has greatly increased, and its customs revenue has been gradually reduced, and in 1891 it amounted to less than half what it was in 1889.

Duties on imports and exports.

It is interesting to study the foreign trade of the Argentine Republic with respect to the foreign countries importing and those to which exports are sent. Here we find that Great Britain has always held the foremost place as regards imports. In 1883 it imported 39 per cent. of the whole, and for many years lost ground relatively to other countries, attaining, however, in 1890 its old importance with 40 per cent. The value of its imports in the latter year are given officially as 11,471,000*l.*, or a larger amount than it ever imported before. Its whole trade with the Argentine Republic in 1890, including exports absorbed by it to a value of 3,829,000*l.*, was 15,300,000*l.*, according to Argentine statistics. In the import trade France stands second, in 1890, with 14 per cent.; Germany, Belgium, United States, and Italy next, with only 9 per cent., 8 per cent., 6 per cent., and 5 per cent. respectively.

Relative importance of countries engaged in Argentine trade.

In the export trade of 1890 France takes 25 per cent. of the whole, Great Britain being only second with 19 per cent., which is, however, twice as much as it took in 1883 proportionally; Belgium, Germany, United States, and Italy only take 12 per cent., 11 per cent., 6 per cent., and 3 per cent. respectively. The position of Great Britain, therefore, in 1890, vis-à-vis of other countries, was highly satisfactory as a whole. In the 8 years, 1883 to 1891, it had recovered its former relative importance to other countries as regards imports into the Argentine Republic, and had doubled its proportion of Argentine exports. In value its whole trade had about doubled with the Argentine Republic,

namely, from 7,271,000*l.* in 1883 to 15,300,000*l.* in 1891, according to Argentine official statistics.

Trade in 1892.

Argentine foreign trade in 1892 shows a marked revival by a considerable increase both of imports and exports, in the first 6 months of this year as compared with those of 1891. The only classes of articles which do not show an increase are railway materials for imports, and wool and lumber for exports. Excluding railway materials, imports show an improvement of 50 per cent., and exports of 7 per cent. which is most satisfactory as indicating that the effects of the crisis and consequent stagnation of trade are beginning to pass away. Estimates for the value of produce to be exported in the year 1892 vary from 17,000,000*l.* to 21,000,000*l.*, of which pastoral products form some two-thirds and tillage products one-third.

Finance.

The subject of finance was to have been brought up to date to complete this report, which would be most incomplete without it, in dealing with the economic position of the Argentine Republic in 1892; but complete information on this subject for 1892 may be found in Mr. Findlay's report (No. 1140 Annual Series) which has anticipated my purpose. And I shall only mention here that the National Debt has enormously increased, especially in the last few years, while the revenue, since 1889, has decreased 41 per cent. from that year to 1891, recovering, however, this year. The total debt of the Argentine nation—excluding internal and floating debts, paper currency and guarantees to industrial enterprises, but including national railway guarantees, national "cedulas," provincial "cedulas," and municipal loans—stands at 105,124,978*l.* according to Mr. Findlay's report. This debt, taking the population of the Republic at a probable 4,000,000, represents over 25*l.* per inhabitant. Mr. Hansen's "Memoria" for 1891 gives the National, Provincial, and Municipal Debt of this country at 76,634,000*l.*, of which the National External Gold Debt amounts to 41,000,000*l.* The yearly Government statistics quote the National Debt in 1891 as 73,865,000*l.*

Commercial treaties, France and United States.

In view of the recent negotiations between France and the United States with the Argentine Republic for the purpose of establishing commercial treaties, the positions of these two countries vis-à-vis of the Argentine Republic will be briefly mentioned.

French Convention of August, 1892.

By the Franco-Argentine Treaty of 1853 France had obtained the most favoured nation treatment, but no reciprocity in that respect was given to the Argentine Republic which paid the maximum rates in France on all its imports into that country. The Argentine Government, therefore, recently decided to denounce that treaty of commerce and navigation, and raised the duties on certain imports of all nations to obtain some compensation. The French Government then entered into negotiations with the Argentine Government which resulted in a modification of the treaty of 1853 and established the reciprocity there omitted. France has now, by this convention, accorded the most favoured nation treatment to the Argentine Republic. The advantages

gained by this country are the reductions of duties on Argentine products imported into France which, as is shown in this report, amounted in 1891 to 25 per cent. of the total exports from the Argentine Republic. The convention of August considerably reduces the French duties on Argentine meats, fruits, maize, tanning bark, feathers, potatoes, &c., by substituting the minimum for the maximum tariff. The result of this modification of the 1853 treaty may increase the proportion of Argentine exports taken by France.

Negotiations with United States for a commercial treaty.

Trade with the United States is of considerable value, and, though it has diminished somewhat since 1889, is likely to increase from the direct steamer communication just established from the United States to the River Plate. Negotiations were opened at Buenos Ayres in 1891 for a commercial treaty between the United States and the Argentine Republic; and they are still pending. By Sec. 3 of the McKinley Law, certain articles, including hides, are admitted free into the United States from such countries as grant some reciprocity in reduction of duties. Under that law Argentine hides, which are largely exported to the United States, have been admitted free of duty. In return the United States require the free admittance in the Argentine Republic of woods, machines, and agricultural instruments; if this be not granted them, they propose placing a duty on Argentine hides by proclamation. The Argentine Government appear to wish both wools and hides to be admitted free into the United States; and thus the matter stands at present.

Proposed customs tariff for 1893.

In conclusion, it may be mentioned that the proposed customs tariff for 1893 does not reduce the present heavy import duties but even increases some of them, such as wines. The duty on sugar, now equivalent to more than its intrinsic value, is to be maintained. Next year, therefore, the consumer will probably have to pay more for some articles of every-day consumption which are already dear enough.

General Condition of the Argentine Republic.

Area and population of Argentine Republic.

The area of the Argentine Republic with which this report deals is calculated at 1,095,000 square miles, which is equal in extent to all Europe (excluding Russia, Spain, Italy, and Great Britain); or, in other terms, it represents a territory about five times the size of France. Its present population is believed to be about 4,000,000, of which over one-eight or over 500,000 inhabitants are to be found in the federal capital of Buenos Ayres. The provinces are mostly sparsely populated, the most populous being Buenos Ayres and Santa Fé. The former province is the largest with nearly 78,000,000 acres (121,875 square miles), and has probably a population of about 900,000 (excluding the city of Buenos Ayres); and the latter contains about 33,000,000 acres (51,562 square miles) with 300,000 inhabitants. The foreign population is enormous, as may be gathered from the fact that 1,215,000 immigrants alone are estimated to have landed in this Republic direct from abroad in the last 35 years, of which

Foreign population enormous.

over 500,000 arrived in the four years 1887 to 1890. A good deal more than half of this wonderful influx of population was Italian.

Proposed new census.

No census of the whole Republic has been taken since 1869 which estimated the population at 1,800,000 persons. It has lately been proposed that a new census of the whole Republic should be taken soon, but this is unlikely to take place in the present embarrassed financial state of the Argentine Government as it would require a large sum of money. There is also, apparently, some opposition to a new census because of the more rapid increase of population in the two provinces of Buenos Ayres and Santa Fé which, if verified officially, would result in giving those two provinces the right to send a proportionally larger number of representatives to Congress than they do now. A census of the former province was taken in 1881 and in the latter in 1887, since which date there are no official records. The population of the provinces of Buenos Ayres increased 65 per cent. from 1869 to 1881, the Argentine population (which includes births of foreign parents) having increased 53 per cent. only and the foreign 109 per cent. Comparing the Argentine Republic in that year with other countries we find its density of population was 1·7 to the square kilometer, identical to that of Tasmania or the State of Florida in the United States in 1879. That census, therefore, showed that the Argentine population had not increased in the same ratio in spite of all births of foreign parentage being included in their numbers. The percentage of Italian population had doubled in the period 1869 to 1881, and that of Spaniards had increased one-third. Analysing the population of the province (excluding Buenos Ayres city), according to occupations, gives 64 per cent. as of no particular profession, 12 per cent. day labourers, 10 per cent. stock-raising and agriculture, 3 per cent. industries, and 3 per cent. domestic servants. In 1881 the chief foreign populations were, out of a total of 526,000: Italians, 57,000; Spaniards, 33,000; French, 20,000; English, 9,000.

1881 and 1887 provincial census.

Density of Argentine Republic about that of Tasmania in 1881.

Growth of the city of Buenos Ayres, 1869–92.

The rapid growth of the city of Buenos Ayres, which became the federal capital in 1886, is remarkable, being nearly 15 per cent. in the year 1889, and 4 per cent. only in 1890, with a decrease of 12,000 in 1891.

DEVELOPMENT of the City of Buenos Ayres from the Year 1869–92.

Year.		Population.	Increase or Decrease in each Year.
1869	National census	177,000	..
1887	Crespo census	433,000	+ 4,500
1889	Official records	524,000	+ 68,000
1890	Municipal statistics	547,000	+ 23,000
1891	Municipal statistics	535,000	− 12,000
1892 (June 30)	Municipal statistics	553,000	+ 18,000

The migratory increase of this city has always greatly exceeded the increase of the resident inhabitants. In 1889 it was about seven times as great with an addition of 59,000 from abroad only. In the four years 1887 to 1890 the increase of the resident population of the capital of Buenos Ayres only formed one-fourth of the total increase.

The postal system in this Republic has been much improved in late years, and has rapidly developed. It may be shown thus according to statistics:— Postal service.

TABLE showing Statistics of the Postal Service for the Years 1860–91.

Years.	Number of Letters.	Total Postal Movement in Millions.	Number of Letters per Inhabitant.
1860	49,000	..	..
1887	21,629,000	44	7
1890	59,789,000	105	18
1891	71,633,000	126	22

The number of letters per inhabitant is too high, as the population in 1891 can only be about 4,000,000.

The enormous development of correspondence since 1887 was due to the exceptional progress of the country up to 1890, and has continued since, putting the Argentine Republic high amongst the nations of the world as to the amount of its correspondence as compared with its population. Taking the probable correspondence per inhabitant at somewhat lower than the above figures we find it stands about on a level with Belgium or the Netherlands in 1888, and perhaps with Austria to-day. Comparison with European nations.

The correspondence of the city of Buenos Ayres in the last five years (including printed matter, postal cards and parcels) shows an average of 80 articles posted per inhabitant every year.

The report of the Minister of Justice for 1891 does not speak favourably of the quick administration of justice in the Argentine Republic. The supreme federal tribunal, of which there is one in every province, is unable to cope with the work which devolves upon it, partly due to the large influx of foreigners in recent years, and to lawsuits which have originated through them. Each of these courts can, apparently, only dispose of 500 suits in the course of the year. Law suits, consequently, drag on sometimes for years. Administration of Justice.

The Judges of First Instance in the city of Buenos Ayres are in fearful arrears, only about a quarter of cases pending being being decided yearly. The figures stand thus:— Great arrears of untried cases in all law courts.

TABLE showing Number of Law Suits in Buenos Ayres City in the Years 1890–91.

Law Suits.	1890.	1891.
	Number.	Number.
Suits pending	12,933	14,549
„ decided	3,736	3,854
Suits still undecided ..	9,197	10,695

This table shows a most unsatisfactory state of things, and the absolute necessity of an increase of judges.

Commercial courts.

The commercial courts are, seemingly, in a worse condition, there being 12,400 cases pending in January last. There are more than half the cases before the justices of the peace still unsettled. In the criminal court there were 3,800 cases in 1891.

Justices of the Peace.

The average number of prisoners in the city prison is 900. There were more Italians tried on criminal charges in 1891 than Argentines or any other nationality; in all 3,436 were tried in the city of Buenos Ayres: 1,568 for fraud, &c.; 872 for robbery; 931 for stabbing, &c.; and 65 for murder.

Marriages, Births, and Deaths.

Marriages. Civil marriage instituted in 1889.

Civil marriage was first instituted in this Republic in April, 1889, after great discussion between the Liberal and Catholic parties. Previously marriage had been exclusively a religious ceremony. From April 15, 1889, to December 3, 1891 ($2\frac{3}{4}$ years), 13,436 civil marriages took place, of which 8,466 only were also religious marriages, which clearly shows the favour with which this change was welcomed. In 1889 and 1890 63 per cent. of the total marriages were celebrated in the church, as well as before the civil registrar; in 1891 62 per cent. It will now be interesting to examine to what extent marriage takes place amongst the natives themselves, between foreigners, and the frequency of marriage between Argentines and foreigners. This latter consideration may be said to be the most important of all, involving, as it does, the great question of the extent to which the enormous foreign population is assimilating itself to the native race.

Formerly, purely religious marriages.

Frequency of foreign and native marriages; and of mixed marriages.

Future population.

The future population of this country depends greatly on the nature and extent of the marriage contracts, and especially on their quality. The new blood of a large foreign population should be an important factor in the development of the Republic, and impart new vitality to the race. It is greatly to the interest of the nation that this foreign population should be merged in the native, and not remain purely foreign, intermarrying only among its compatriots.

Origin of data.

On all these questions of births, marriages, and deaths the

municipal statistics are, unfortunately, almost the only ones available. But when it is remembered that the city of Buenos Ayres contains over 500,000 inhabitants, or one-eighth at least of the total population of this country (the highest estimate of the total population being 4,000,000), it may be said with some reason that the marriages there contracted may be fairly taken as the marriage rate amongst the whole population.

Statistics of city of Buenos Ayres may be taken as criterion of whole Republic.

The total number of marriages in the city of Buenos Ayres in 1882 was 2,138, increasing to 3,428 in 1887, to 5,007 in 1891, reaching its highest figures in 1890 with 5,545 marriages. The period 1887 to 1891 will be more particularly dealt with here from the time of the census of the capital in 1887 to last year, 1891 :—

Total number of marriages in Buenos Ayres city.

TABLE of Population and Marriages in the City of Buenos Ayres for the Years 1887–91.

Years.	Number of Population.	Number of Marriages.	Proportion per 1,000 Inhabitants.
1887	437,875	3,428	7·82
1888	455,167	4,498	9·88
1889	523,452	4,159	7·94
1890	547,144	5,545	10·13
1891	535,060	5,007	9·35

During these five years marriage rate increased 46 per cent., and the population 22 per cent., so that the marriages increased far more rapidly proportionally than the population. The average of marriages increased from seven in every 1,000 in 1887 to ten in every 1,000 in 1890, falling in 1891 to 9 in 1,000, owing to hard times. Taking the last three decades, we find that from 1860 to 1869 marriages increased 78 per cent., but that from 1870 to 1879 they decreased from 1,916 in 1870 to 1,636 in 1879, a serious blow to the development of the country. This cessation is to be accounted for by revolutions, and by financial and economical crises causing great distress among the whole population, and is again seen in the period 1890 to 1891. From 1880 to 1889 marriages increased from 1,652 in 1880 to 4,159 in 1889, or 151 per cent. This rapid increase was no doubt due to the remarkable prosperity of this country during those years. In 1890 the number of marriages was 5,545, the highest point ever reached, but in the following year, 1891, the number fell to 5,007, a decrease of 538. Here again we find, as indeed might be expected, that the falling-off is due to a universal, economical, and financial crisis, causing the greatest distress among all classes, and especially amongst the labouring and industrial population. The paralysation of all commerce and trade made

Marriages increased quicker proportionally than population.

Marriages decreased from 1870–79.

Increased from 1880–89.

Greatest number of marriages in 1890, and fell in 1891.

Decrease due to crisis.

labour very scarce, and entailed great misery on the lower orders. It is to be hoped that some improvement may take place this year, as some confidence has been restored in commercial circles. The marriages effected between all nationalities in this capital from 1882 to 1891 are of particular interest in the study of the development of this country, and will powerfully affect its future, both socially and politically.

Marriages among all nationalities.

The analysis of this question shows some remarkable results. In the 10 years 1882 to 1892 the marriages between Argentines only increased 61 per cent., whereas between Italians, Spaniards, and French people the increase was 106 per cent., 552 per cent., and 185 per cent. respectively.

Very slow increase of Argentine marriages.

Comparing the number of marriages of Italians, Spanish, French, and Argentines with their respective populations in the city in 1887, we find the marriage rate was 11, 11, 12, and 5·3 respectively per 1,000 inhabitants, which shows the prosperity of the foreigner as compared with the native in that year.

Marriage rate low among Argentines, high amongst foreigners.

And for the same year we find that 37 per cent. of the men marrying were between 26 years and 30 years old, and 34 per cent. below 26; 22 per cent. only being over 31 and under 40. The following table gives the percentage in each year of the total marriages for each nationality:—

High percentage of young men marrying.

RETURN of Marriages during the Years 1882–91.—Percentage of Total of each Nationality in order of Importance in 1889.

Nationalities.	1882.	1887.	1889.	1890.	1891.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Italians and Italian wives ...	30	30½	32	32½	26⅔
Argentines and Argentine wives	21	21½	17⅔	13⅔	14⅓
Italians and Argentine wives ...	10	9	10⅔	9⅓	9
Spaniards and Spanish wives ...	6	9½	10½	15	16½
Frenchmen and French wives ...	4½	4	4½	5½	5⅔
Frenchmen and Argentine wives	1½	1½	1½	1	1
Various and Argentine wives ...	4	1	4	3	3

Argentine marriages in 1890 only 13 per cent. of the whole.

In 1882 the marriages between Argentines were 21 per cent. of the whole; in 1890 they had steadily decreased to 13 per cent., rising slightly in 1891 to 14½ per cent. Argentine men married 78 foreign women out of 451 wives in 1882, and 225 in 1891 out of 729 wives, a great increase.

Of foreign wives Argentines married Italians chiefly.

Italian wives predominated both in 1882 and 1891, French standing next in 1882 with 16, and Spanish in 1891 with 49.

Italian marriages form 32½ per cent. of whole in 1890.

In 1882 purely Italian marriages formed 30 per cent., and in 1890 32½ per cent. only, falling to 26½ per cent. in 1891, a remarkable decrease considering that some 490,000 Italians, though of course chiefly men, entered the Republic in those 10 years. Italian marriages with Argentine women fell from 10 per cent. to 9 per cent. in that time.

Spanish marriages 15 per cent. of total in 1890.

In 1882 purely Spanish marriages increased from 6 per cent. to 16½ per cent. in 1891, and having no check in 1890. Spanish marriages with Argentine women fell from 5 per cent. to 3 per cent. in 1890, rising slightly in 1891.

Purely French marriages increased from 4⅔ per cent. in 1882 to 5½ per cent. in 1891; and the percentage of Frenchmen marrying Argentine wives fell from 1½ per cent. to 1 per cent. French marriages 5½ per cent.

Summing up we find that, as regards Argentine women, their marriages with Italians, Spaniards, and French are diminishing proportionally to the total number of marriages as are also their marriages with Argentine men. But, as before mentioned, Argentine men are marrying more Italian, Spanish, and French wives than before; from 1882 to 1891 this increase was over 300 per cent. The percentage of absolute increase of marriages of Argentine women with foreigners during the same period was nearly 200 per cent.; marriages between Italians and Argentines increasing from 219 to 449, between Spanish and Argentines from 105 to 194; between French and Argentines from 32 to 57; between other nationalities and Argentines from 86 to 146. But proportionally to the total number, the decrease from 1882 to 1891 for marriages of Argentine women with Italians, Spaniards, French, and other foreigners was in all 3⅘ per cent. Marriages of Argentine women falling off both with Argentines and foreigners. Absolute increase of marriages, 1882-91.

Purely Spanish marriages during the same years 1882 to 1891, however, increased from 128 to 835, or from 6 per cent. in 1882 of the total number of marriages to 16⅔ per cent. in 1891. Purely French marriages also increased during that time from 4½ per cent. to 6½ per cent. of the whole. Spanish marriages.

Taking the absolute increase in number of marriages, we find Argentines with Argentines increased 61 per cent.; Italians with Italians, 106 per cent.; Spaniards with Spaniards, 552 per cent.; and French with French, 185 per cent.

The number of births taking place among the native and foreign population is of great importance, especially as every child born in the Republic of foreign parents is an Argentine citizen, and liable to all his duties as well as his privileges. Births.

RETURN of Total Births and Illegitimate Births during the Years 1882–91 in the City of Buenos Ayres.

Years.	Total Births.	Illegitimate Births.	Percentage of Illegitimate Births.	Population of Buenos Ayres.	Proportion of Births per 1,000 Inhabitants.
1882	10,477	839	8	...	...
1887	15,939	1,974	12	437,875	36·04
1888	19,119	2,361	12	455,167	42·00
1889	22,044	2,798	12½	523,144	42·01
1890	23,020	3,013	13	547,144	42·07
1891	25,591	3,342	13⅓	535,060	45·95

The births more than doubled in the first 8 years, and increased in 1890 and 1891, even though the population and number of marriages decreased in the latter year. Illegitimacy, it will be noticed, after diminishing in the years 1883 to 1885 from 8 per cent. to 6½ per cent., increased to 12½ per cent. in 1889 and to 13½ per cent. in 1891. Compared with the popula- Steady increase of births even in 1891 with smaller population. Great increase of illegitimacy.

Birth rate per 1,000 inhabitants, 46 in 1892. Average 42 per 1,000.

tion from 1887, the birth rate per 1,000 rose from 36 in 1887 to 42 in 1889, and to nearly 46 per cent. in 1892. So that it would appear that marriages in 1891 were far more prolific than in any other year. The birth rate of 42 is extraordinarily high as compared with other cities, as English towns, Liverpool, Glasgow, and Dublin only averaged 29 per cent., 37 per cent., and 27 per cent. respectively in 1890. The total births during 1882 to 1890, increased 118 per cent. and illegitimate births 259 per cent.

Proportion of males to females, 104 to 100. Males predominate.

The proportion of men to every 100 women amongst the births is, on an average, 104; the lowest being 101, and the highest 106. The masculine sex predominates therefore, and it is a good thing for the country as regards number of eventual labourers. It is particularly interesting to study the births as regards their parentage showing the proportion of those of foreign parents who, equally with those born of Argentine parents, are by law Argentines from the very fact of being born in this country. The Argentine Republic, in accordance with its constitutional charter and evident interests, has opened its arms to all and every nationality. Some nationalities are to a certain extent preferred to others, on account of their better qualities or better work, but all able bodied workers of every class are welcomed. Between the years 1871 and 1891, 1,174,787 immigrants entered this country, being lodged, fed, and sent to their destinations at the cost of the State, some also receiving practically free passages from Europe. These immigrants are free to enjoy all civil rights equally with Argentines. With few formalities they can become Argentines. Consequently, it is interesting to see to what extent this foreign population is incorporated with the native, and how far it contributes to populate the country, either by intermarrying among itself or by alliances with natives. The excess of men born over women in the years 1882 to 1891 was about 3,500. During the same period births of Argentines and Argentines increased from 1,836 to 2,667 or 45 per cent.; of Italians and Italians increased from 4,049 to 9,581 or 136 per cent.; of Spaniards and Spaniards increased from 651 to 2,888 or 337 per cent.; and of French and French increased from 323 to 970 or 300 per cent.; of Italians and Argentine women 87 per cent.; of Spaniards and Argentine women 38½ per cent.; of Frenchmen and Argentine women 36½ per cent. Hence the births of purely Argentine marriages have increased but little in 10 years, only 45 per cent., whereas all other nationalities have greatly increased, the births of purely Spanish marriages showing the greatest increase with 337 per cent. The following table gives the relative proportions of the total births from 1882 to 1891 of Argentine and foreign marriages.

Births as regards nationality of parents. All children born in Republic are Argentines.

Immigrants of all nationalities welcomed.

Immigrants' privileges. Exempt from military service for 10 years.

Excess of males over females in 3 years.

Increase of birth rate, all nationalities, in 3 years.

Argentine births only increased 45 per cent. in 10 years.

PERCENTAGES of Total Births for Marriages of each Nationality.

Nationalities of Parents.	1882.	1887.	1888.	1889.	1890.	1891.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Argentines and Argentines ...	17½	12	12½	11	10½	10¾
Argentines and foreigners ...	2½	2	2½	3½	3½	4
Italians and Italians	38½	44	44	42½	40	39
Spaniards and Spaniards ...	6½	6¾	7½	9½	11¾	11¾
Frenchmen and Frenchwomen ...	3	2½	2	3½	4	4
English and English	...	¼	¼	¼	¼	¼
Germans and Germans	...	¼	¼	¼	¼	¼

Here it will be seen that the births by Argentine parents amounted to 17½ per cent. of the whole in 1882; in 1891 they formed under 11 per cent., whereas all births of purely Italian, Spanish, and French marriages at least maintained their respective proportions, the Spanish births showing an increase of nearly 100 per cent., or from 6 per cent. to nearly 12 per cent. of the whole. English births are only recorded from 1887 and then formed under ½ per cent. of the whole, reaching, however, nearly ¾ per cent. in 1890 and 1891. German births during this same period diminished somewhat. In 1891 Italian births take the lead with 39 per cent., Spanish next with 11¾ per cent., Argentines next with nearly 11 per cent., Argentines with foreign wives 4 per cent., French nearly 4 per cent., English nearly ¾ per cent., German under ½ per cent. And all show a decrease from 1890 except Argentines and Argentines with foreign wives. Comparing in 1887 the births with the total population of each nationality we find the following results, showing the birth rate far the highest among the Italians, with 59 for every 1,000, and, therefore, presumably the best off. Argentines, Spanish, and French with 28 per 1,000, 27 per 1,000, and 18 per 1,000 respectively.

Argentine births 10½ per cent. only of whole in 1890.

Great increase of proportion of foreign births.

In 1891 Italian births form 39 per cent.

Comparing population and births in 1887.

Italians 59 per 1,000.

Argentines 28 per 1,000.

TABLE Comparing Population and Births.

Nationality of Parents.	Population in 1887, Adults only.	Births in 1887.	Births, per 1,000.
Argentines and Argentines ..	66,479*	1,926	28
Italians and Italians	138,166†	7,032	59
Spaniards and Spaniards ..	39,562†	1,085	27
Frenchmen and French women	20,031†	367	18
Total	..	10,410	..

* 138,325 persons under 20 years of age excluded.

† 23,036 persons under 20 years of age included among the whole foreign population, so small percentage should be deducted from each nationality.

Effect of small Argentine birth rate on Republic.

The serious question arises here to what extent this small birth rate amongst natives and the large one amongst foreigners may eventually affect this Republic. The Italian, Spanish, and French births alone amount to 8,484 as against 1,926 Argentine births, or more than four times as numerous. Argentine births only figure as 1,926 out of a total of 15,939, or forming under one-eighth.

Foreign population is overwhelming natives.

The foreign population is rapidly overwhelming the native, and in commerce, industries, agriculture, &c., it may be said to monopolise by far the largest portion.

Deaths.

The question whether deaths are increasing or decreasing proportionally to the total population is of vast importance to any country or capital. The following table shows the death rate per 1,000 in the capital of Buenos Ayres from 1887 to 1891.

RETURN of Death in the City of Buenos Ayres in last Five Years.

Year.	Population at the End of Each Year.	Deaths (still-born excluded).	Proportion per 1,000 Inhabitants.
1887	437,875	12,084	27½
1888	455,167	12,367	27
1889	523,452	14,736	28
1890	547,144	16,417	30
1891	535,060	13,014	24⅓

Average death rate, 26 per 1,000.

Deaths could be reduced by care.

In 1890 13 per cent. of deaths from small-pox.

Buenos Ayres has a death rate averaging about 26 per mil, or about that of Manchester in late years. It is lower than that of many important European cities, such as Marseilles, Buda Pesth, and St. Petersburg. A great number of the deaths in Buenos Ayres could be avoided by greater care. For instance, small-pox here assumes proportions seldom reached in other large cities due to insufficient water supply, to overcrowding, and to other causes. In 1890 over 13 per cent. of deaths were from small-pox.

Births and population increasing, deaths decreasing.

Considering the above table, we note than in 5 years deaths increased only 8 per cent., whereas the population increased 23 per cent., and births 54 per cent. in the same period. The death rate increased greatly in 1889 and decreased in 1891, due to diminution of deaths from infectious diseases and to better sanitary arrangements.

In 1890, 75 per cent. from infectious and contagious diseases.

1890 showed an increase over 1889 of over 2,000 deaths from this cause, the figures being 1,976 in 1889 and 4,052 in 1890.

TABLE of Deaths from Contagious and Infectious Diseases.

Year.	Small-pox.	Diphtheria.	Typhoid.	Total Deaths.
1887	1,111	677	280	3,350
1888	657	982	388	2,614
1889	158	587	509	1,976
1890	1,871	717	628	4,052
1891	231	414	408	1,483
Total	4,028	3,377	2,213	13,475
Five Years' Percentage ..	30	24½	16½	..

In 1890 infectious and contagious diseases account for 75 per cent. of the deaths.

The total number of men's deaths was 139 for every 100 deaths amongst women.

139 men died to every 100 women.

TABLE of Deaths of Argentines and Foreigners for the Years 1887–91.

Year.	Argentines.			Foreigners.			Grand Total.	Increase or Decrease on each Year.
	Men.	Women.	Total.	Men.	Women.	Total.		
1887	4,489	4,241	8,730	2,934	1,274	4,208	12,938	+ 2,370
1888	4,732	4,473	9,205	3,062	1,215	4,277	13,482	+ 544
1889	5,228	4,833	10,061	4,102	1,876	5,978	16,039	+ 2,557
1890	6,035	5,362	11,397	4,473	1,851	6,324	17,721	+ 1,682
1891	5,203	4,776	9,979	2,964	1,389	4,353	14,332	− 3,389
Total ..	25,687	23,685	49,372	17,535	7,805	25,140	74,512	..

Analysing the deaths of Argentines and foreigners the result is unfavourable to the Argentines, but it must be remembered that amongst Argentine deaths are included children of foreign parents born here. Result unfavourable to Argentines.

Of the total Argentine deaths 678 per 1,000 are children under 5 years of age, and the total deaths of foreign children under 5 years of age are 92 per 1,000 only. If in spite of this we compare the deaths and the populations, Argentine and foreign, the following results are obtained:— Deaths of Argentine children, 678 per 1,000.

AVERAGE of Deaths among Argentines and Foreigners for the Year 1887. Argentine deaths, 42 per 1,000; foreign, 18½ per 1,000.

	Argentines.	Foreigners.
	Per 1,000.	Per 1,000.
Males	47	19¾
Females	38	15¾
Average	42	18½

In 1886 cremation was made compulsory in Buenos Ayres city for contagious diseases and optional in other cases; but this law has not been carried out. The cremating apparatus is in a local hospital, and the bodies burned are only those of patients dying in it. The first case of cremation took place in 1885. Since 1886 some 3,900 bodies have been burned. Cremation. First case in 1885.

Condition of the City of Buenos Ayres.

In the capital of Buenos Ayres house rent is excessively high even to-day; a few years ago it was outrageous. The rents which are now paid were much about the same in former years, and, therefore, some three times as heavy as at present; the paper currency having suffered a great depreciation, and the premium of gold having risen to 200 per cent. and to 300 per cent. Rents which to-day are 200 dol. paper a month (now equal to about 12*l.* 10*s.*) amounted to some 36*l.* a month 4 years ago. A small unfurnished house of 7 rooms and kitchen cannot be obtained under 150*l.* a year or more in any central and convenient part of the town, and that is only either a ground floor or first floor, not a whole house. The same house 4 years ago cost about 450*l.* a year. Besides this there are taxes amounting to about one-tenth of the rent. These being the rents for the better classes, it may be imagined that the labouring classes have to pay heavily for their lodging. Their rooms cost from 12*s.* a month to 1*l.* a month in the centre of large towns and from 7*s.* a month to 9*s.* a month in the suburbs. The lower classes in Buenos Ayres live in lodging-houses called "conventillos," where unhealthy crowding House rent. Three times as dear a few years ago. Cost of small house. Rents for the working classes. Unhealthy lodging-houses.

takes place and whence emanate many diseases. And in times of epidemics, such as yellow fever in the year 1871 and cholera in 1886, it was there its ravages were greatest as might have been expected. In 1890 a municipal inspection of lodging-houses shows they are largely increasing and are overcrowded.

Their number and inhabitants.

No steps have ever been taken here to better workmen's lodgings. In 1891 the number of unhealthy lodging-houses was 2,249, with 37,603 rooms and 94,723 inhabitants, giving an average of 17 rooms to a house and of 2½ persons to a room, at an average price of 15 dol. 50 c. (nearly 1*l.* to-day) per room per month, the lowest being 7 dol. 50 c. (9*s.*) in the worst quarters of the town, and 25 dol. 50 c. (1*l.* 12*s.*) in the best.

Average room, 1*l.* per month.

One-fifth of Buenos Ayres population live in these lodging houses.

Air-space per person.

Taking the population of Buenos Ayres at 542,000 in 1890, we find that about one-fifth of the whole population live in wretched and unhealthy lodging-houses; the Argentines numbering 27,000 and the foreigners 67,720. In 21 of these lodging-houses each inhabitant had less than 5 square yards of room, and in 282 houses each had 5 to 10 square yards. In 1890 there were 893 hotels and inns, with 6,329 rooms and 8,829 inhabitants; of these 1,807 were Argentines and 7,022 foreigners.

These houses a danger.

The above particulars show how poor is the accommodation paid for at a high rate by the labouring classes of this town. It is both a danger to the public health and a disgrace to humanity that such a condition of things should exist. Government inspection has improved them, but better accommodation could only be secured them by a general philanthropic action of house-owners. Building is very expensive, and houses often consist of the ground floor only, so that the ground-rent bears a large proportion to the interest on the building alone of the house in this town, where city property is of great value. Efforts in late years have been made to aid the poor population of Buenos Ayres in two directions, by a municipal loan bank and a cheap meat supply, which will be briefly described here. In the country lodging, such as it is, is provided for the labourer, and costs but little.

Only remedy for.

Ground rents.

Assistance to the poor.

Municipal Loan Bank on pawn system.

In 1878 the Provincial Government of Buenos Ayres province founded the municipal loan and savings bank, with the idea of granting loans on the pawn system to necessitous people at low rates, and to keep them out of the hands of unscrupulous money-lenders. In 1888 this bank was handed over to the National Government, and became the property of the municipality. Its object being to assist the needy poor, the interest paid amounts to only 1½ per cent. per month, payable on renewal of the loan, or on redeeming the object pawned. With a capital of 300,000 dol. m/l its operations reached 613,511 dol., 733,417 dol., and 545,246 dol. respectively from 1889 to 1891. Loans are granted for three months, and renewable up to one year.

Rate charge, 1½ per cent. per month.

Cheap meat supply.

A municipal Commission exists in Buenos Ayres which undertakes the supply of meat to the public at reasonable prices. It was started in February, 1891, in consequence of the "ring" made to raise the price of meat in the ordinary market. A company was then started with a capital, half private and half

municipal, for the slaughter of animals and sale of the proceeds at low rates. It buys direct from the cattle farmer and sells at shops placed in nearly every market and in some butchers' shops. It sells, good weight, and at 25 centavos (4*d.*) a kilo. for first-class meat, 15 centavos (2¾*d.*) for 2nd class, and 10 centavos (1½*d.*) for third-class meat. From February, 1891, to the end of that year it has killed and sold 12,584 animals, of which 9,861 were sold at the markets, and 2,723 were supplied to the hospitals of the city. It also sold 5,128 sheep at a cheap rate. Prices of meat per kilo.

In the city statistics show a great increase in crime since 1887. In the four years 1887 to 1890 assassination and homicides have increased from 32 to 202 (over 600 per cent.); assaults on persons from 622 to 1,219 (100 per cent.); robberies, thefts, and frauds from 1,050 to 2,447 (about 140 per cent.). The total crimes have increased from 1,876 in 1887 to 4,138 in 1890, or over 130 per cent., and this high rate of crime has continued through 1891, and even increased. Of course the population also greatly increased from 1887 to 1890, but this does not account for the extra amount of crime. In 1888 and 1889 many criminal characters came to Buenos Ayres, and in 1890 the practical cessation of commerce and absolute want of work led many to rob and plunder. Increase in crime since 1887. Percentages of increase. 1888 and 1889.

On July 26, 1890, the Revolution broke out, and many crimes were committed under its cover by the populace. By far the largest number of arrests was of persons between the ages of 21 and 30, forming about half of the whole number. 1890 Revolution.

Drunkenness is greatly decreasing, and is just one-half what it was six years ago, according to municipal statistics. Drunkenness.

Suicides have nearly doubled from 1882 to 1891.

RETURN of Prison Statistics for the Years 1889–91.

Year.	Number of Persons sent to Central Prison.	Number of Persons sent to Correctional Prison.
1889	981	1,899
1890	1,976	1,970
1891	3,566	994

Crime is on the increase both in the city of Buenos Ayres and in the provinces. Nationalities of prisoners.

As to nationality Argentines predominate, Italians and Spaniards next, the rest being unimportant. The greatest number of those entering correctional prisons were between the ages of 16 and 25, forming half of the total.

Tramways were first authorised by law in Buenos Ayres in 1868, and the first began running in 1870, and experienced much opposition at first from the public. They have now developed to a marvellous extent, and greatly facilitated means of conveyance. Tramways.

There were seven companies running in 1890, with 275 kiloms. of lines. The rapid development of the tramway system is best shown in a tabular form :—

DEVELOPMENT of Tramways during the Years 1873–91.

Year.	Number of Companies.	Number of Kiloms.	Number of Cars.	Number of Horses.	Number of Men.	In Millions of Passengers Carried.	In Thousands of Passengers. Increase or Decrease.
1873... ...	6	...	120	1,712	692	12	...
1879... ...	4	...	216	1,649	733	10	− 1,672
1885... ...	5	149	211	3,375	1,474	27	+ 4,403
1889... ...	6	197	322	6,437	2,906	49	+ 7,386
1890... ...	9	248	396	6,506	3,690	56	+ 7,128
1891... ...	7	276	392	6,260	2,892	57	+ 1,657

Number of passengers carried.

The number of passengers carried is astounding as compared with the population. In 1891 the whole population of Buenos Ayres travelled once every month in the tram-cars running in this city—that is, during that year the tramway companies carried the whole population 12 times over.

Vehicles.

With regard to vehicles, after 1889 their number decreased greatly, all locomotion and traffic having fallen off in consequence of the crisis.

Chicago Exhibition and Argentine Exhibits.

Chicago Exhibition, grant of 20,000*l.* for Argentine exhibits.

The Argentine Republic is making great efforts to be well represented at the Chicago Exhibition, especially as regards its stock-raising and agricultural products. The grant of 20,000*l.* by Congress for this purpose although small will enable them, with judicious expenditure, to show what is the extent and quality of Argentine products, and help to develop their foreign trade by making its resources better known. Some other South American Republics have granted larger sums, and it seems a pity this Government should not have devoted more to this purpose. They have ordered various statistics and details of Argentine industries and agriculture, &c., to be taken to show the development these have reached in late years. Various Commissions have been organised for this purpose, and an exhibition will be held here in December, 1892, of all the products and articles which are to be sent as exhibits to the Chicago Exhibition. There will be extensive exhibits of Argentine skins, sugars, wines, wools, agricultural produce (especially wheat), and samples of this country's mineral resources. The chief meat-canning and meat extract companies will send specimens of their production. Samples of wood and plants of the Republic will also be sent from all the provinces.

Exhibition of Chicago exhibits to be held in Buenos Ayres shortly.

Proposal to sell lands at Chicago Exhibition

The Argentine Commission of the Exhibition of Chicago has proposed to the Argentine Government to sell lands there

to agricultural immigrants. The proposal is to have a special office there, where all information with regard to this country's products and lands can be obtained, and where lands can be actually bought by the intending emigrant to the Argentine Republic. It is urged that it would benefit the immigrant by his at once taking possession, on arrival here, of the land bought without having to search himself for suitable land, and possibly be cheated in his purchase. Such a scheme seems to be most impracticable. to intending emigrants to Argentine Republic.

Stock-raising.

As the Argentine Republic has always been a great pastoral country, whence its riches are principally derived, a short retrospect of stock-raising in general will not be wanting in interest. Statistics give the following table :— Stock-raising.

STOCK-RAISING in Argentine Republic and Other Countries Compared in Order of Importance.

Country.	Year.	Population.	Area.	Cattle.	Sheep.	Horses.	Per 1,000 Inhabitants.	
							Cattle.	Sheep.
			Sq. kiloms.					
Argentine Republic	1887	3,000,000	2,816,000	16,960,000	71,616,000	4,444,000	5,653	23,872
Australia	1874	2,946,000	7,986,000	5,759,000	58,052,000	843,000	1,955	19,702
Great Britain..	1874	31,628,000	314,000	10,281,000	34,837,000	2,762,000	325	1,101
United States..	1885	5,500,000	9,322,000	45,510,000	48,322,000	12,077,000	827	878
France..	1886	38,218,000	528,000	13,104,000	22,616,000	2,911,000	342	591
Province of Buenos Ayres ..	1881	526,000	310,000	4,754,000	57,845,000	2,397,000	9,029	109,851
Province of Santa Fé ..	1887	220,000	128,000	2,328,000	2,977,000	528,000	10,567	13,513

Statistics for this, as for all other purposes, are difficult to obtain, and cannot be perfectly correct. Here it will be noted that the Argentine Republic occupies a very prominent place, and possessed, approximately, in 1887, 16,000,000 cattle, 71,000,000 sheep, 4,500,000 horses. Number of cattle, sheep, and horses.

Of these, 2,926,000 horses were in the two provinces of Buenos Ayres and Santa Fé, classified thus :— Proportion of saddle and draft horses.

Class of Horse.	Povince of Buenos Ayres.	Province of Santa Fé.	Total.
Horses, miscellaneous ..	850,000	135,000	985,000
Saddle horses	397,000	92,000	489,000
Draft „	105,000	69,000	174,000

There were amongst these in both provinces 35,000 foreign horses, of which over 700 were racing horses. The importation and exportation of horses in the last 6 years is next compared :—

RETURN showing the Importation and Exportation of Horses.

	1886.	1887.	1888.	1889.	1890.	1891.
Imported	857	1,506	990	547	535	121
Exported	3,650	3,419	6,047	5,961	29,052	10,703

In late years a large number of valuable horses for breeding purposes have been imported into this country, including the Derby winner, Ormonde. The wonderful development of horse-racing has raised the standard of horses as a whole, and has encouraged the importation of good animals. The Argentines have gone in extensively for horse-breeding, chiefly for racing purposes, carriage and riding horses also, however, fetching a high price. For some years past a great number of Argentine horses have been exported to Europe, often fetching a good figure. 1890 is a remarkable year in this respect, the number of horses exported being nearly five times as large as in the previous year. Argentine horses have, unfortunately and undeservedly, obtained a bad name in England from inferior animals having been sent over ; and it is a pity such animals should have been sent, as subsequent importations are branded with their predecessors' bad name. Several lots of horses from well-known exporters should sell well, and have sold well; they should be useful, also, for army purposes. This export trade of horses to England will probably greatly increase in the next 5 years. Freights for horses, though high, are lower than they were. Insurance charges on them seem unnecessarily high. Export of horses to Europe. Argentine horses should sell well.

A table of cattle and sheep imported and exported in the last 6 years is here given, which will give an accurate idea of this branch of trade. Cattle and sheep.

RETURN of Cattle and Sheep Imported and Exported during the Years 1886–91.

Description.	1886.	1887.	1888.	1889.	1890.	1891.
Cattle—						
Imported... ...	1,463	942	4,527	628	362	103
Exported... ...	128,405	70,707	94,726	139,637	150,003	171,105
Sheep—						
Imported... ...	18,716	46,316	3,351	19,479	1,030	1,909
Exported... ...	26,751	29,413	22,616	19,526	50,002	174,691

The importation of fine cattle and sheep for breeding purposes has fallen off considerably in the last few years, cattle decreasing from 4,527 in 1888, to 628 in 1889, and sheep from 19,479 to 1,030 in the same period. As regards export of cattle and sheep, 1890 shows a great increase, especially in sheep.

Classes of sheep in Argentine Republic; proportions of each.

Statistics (as in first table), *i.e.*, in 1881 and 1887 respectively, give 60,000,000 sheep in the two provinces of Buenos Ayres and Santa Fé, distinguishing the following:—

Class.	Number.
Mestizos (inferior) and creole sheep ..	6,791,000
Merino pure	1,110,000
English mestizos	701,000
Pure English	51,000

In the same two provinces there were 7,000,000 cattle, of which the following classes are mentioned:—

Class.	Number.
Creole horses, miscellaneous	5,845,000
Mestizo horses	546,000
Milch cows..	421,000
Oxen	231,000

Importation of cattle.

Since 1882 the importation of foreign cattle has greatly increased, and comes mostly from Great Britain and France. Such importation cannot be too highly valued for this almost exclusively stock-raising province. In former years it was greatly neglected. The quality of the cattle is now steadily improving, and consequently the meat sent to market.

Export of live cattle to England.

Several lots of fat cattle have this year been sent to England alive for killing purposes at home, and have obtained fair prices, with a profit to the exporter. This class of export of fattened cattle for market is likely to increase considerably in the next few years. Their value in England greatly depends on the way they are fed here for the last few weeks, and, indirectly, on the extent of their docility before shipping. The tamer they are the less

they damage themselves on board ship; and this greatly affects their condition on arrival. If they were well fed in England for a short time previous to sale; still better prices would be obtained.

Dairy farming is only developed to a limited extent, and should be capable of great expansion, as dairy produce fetches good prices. The artificial feeding of cattle for this purpose is hardly yet properly understood. A want of proper supervision and organisation has caused several failures of such enterprises. A certain amount of butter has been exported to England, and it is possible that some expansion of this trade may take place in the future.* Dairy farming capable of great expansion. Export of butter.

During the last 5 years there was, generally speaking, a great increase of these exports from 1887 to 1889, and a decline since, except for frozen sheep, dried ox and cow hides, live cattle, sheep and horses, and horsehair. Increase of exports to 1889. Decline since.

The following figures of the quantities of some of the chief products of stock-raising exported have been given in local papers. Quantities of wool, meat, tallow, &c., exported 1887 to 1891.

EXPORTS in last Five Years.

Years.	Wool.	Meat.	Sheepskins.	Tallow.	Hides.
	Tons.	Tons.	Tons.	Tons.	Number.
1887	109,000	36,000	30,000	7,000	3,520,000
1888	131,000	44,000	28,000	14,000	3,670,000
1889	141,000	58,000	36,000	18,000	3,590,000
1890	118,000	63,000	27,000	17,000	4,560,000
1891	138,000	62,000	24,000	20,000	4,290,000

It is said that unwashed Argentine fleeces, averaging 4 lbs., only produce about $1\frac{1}{3}$ lbs. washed wool, whereas Australian fleeces average $4\frac{1}{2}$ lbs. unwashed, and give nearly $2\frac{1}{2}$ lbs. of washed wool. This country hardly exports any washed wool, but sends away a far smaller proportion of washed to unwashed wool than Australia. Australian and Argentine wool compared

The chief countries importing Argentine wool are France, Belgium, and Germany; little goes to Great Britain, United States, and Italy in comparison. Commerce in this article is greatly increasing to the following ports as good centres for distribution, viz., Dunkirk, Havre, Bordeaux, Antwerp, Bremen, Hamburg, Genoa, and Liverpool. Chief countries importing Argentine wool, 1891.

* As regards the products of stock-raising, see Exports, p. 113, for details.

TABLE showing Chief Countries Importing Argentine Wool and Sheep-skins during the Year 1891.

Countries.	Quantity.	
	Wool.	Sheep-skins.
	Kilos.*	Kilos.*
France..	58,449,000	15,232,000
Belgium	34,292,000	287,000
Germany	28,529,000	1,128,000
United States..	5,781,000	281,000
Great Britain..	2,253,000	2,358,000
Italy	2,121,000	2,919,000

* 1 kilo. = 2·205 lb.

Development of frozen mutton trade.

The development of the frozen mutton trade to England from the Argentine Republic is remarkable. The following figures, comparing frozen mutton imported from the River Plate, Australia, and New Zealand, in the first 6 months of the last 4 years, are instructive:—

RETURN of Frozen Sheep and Lambs Imported into London in First Six Months of each of the following Years.

Countries.	1889.	1890.	1891.	1892.
	Number.	Number.	Number.	Number.
New Zealand	268,000	286,000	1,083,000	870,000
Australia	11,000	53,000	139,000	141,000
River Plate	28,000	31,000	54,000	73,000*

* 22,200 carcasses sent direct to Liverpool not included.

Exportation of meat extract, tinned meats, &c.

Kemmerich Canning Company.

The exportation of extract of meat, tinned meats, and jerked beef is very large. The Highland Scot Canning Company, the Kemmerich Company, Liebig Company, and others do an enormous trade. To show their magnitude, a few particulars of the work of the Kemmerich Company are here given. The number of cattle killed by that establishment have increased from 3,000 in 1881 to 54,000 in 1889, and to 86,000 in 1891. This company can slaughter up to 200,000 per annum. Last year it produced 200 tons to 300 tons of extract of meat, peptona 50 tons to 100 tons, boiled beef 900 tins, ox tongues 75,000 tins, salted and jerked beef 3,000 tons, meat flour 2,000 tons, bones 1,000 tons, and tallow 2,000 tons, according to published returns.

The Argentine Republic is eminently suited to stock-raising, both from the nature of its climate as from the suitability of its soil. It has great advantages over other countries, among which may

be noted a better supply of water, no forests or brushwood to clear away, a good soil, and good grasses. Land, as a whole, is more fertile than in Australia, and supports more cattle and sheep to the square league. The present value of land, able to feed three sheep to 2 acres, is about 16 dol., or 1*l.* an acre. Lands in the western national territories can be purchased at 800*l.* to 1,000*l.* per square league of 6,400 acres, which will support 1,000 head of cattle at a cost of about 10*s.* each placed on that land. A minimum increase is 30 per cent., and steers 3 years old would be worth 1*l.* to 1*l.* 5*s.* on the land. It is usually more profitable to combine cattle and sheep-raising than to keep exclusively either to the one or the other. A careful attention to breeding and fattening of cattle is remunerative, especially as well-bred and fat cattle are in great requisition for meat for exportation, whether tinned or in other forms.

Land more fertile than Australia.

Value of lands.

More profitable to combine cattle and sheep raising.

The Argentine Republic, owing to a well-distributed and plentiful rainfall, to splendid grazing land and to an equable climate, is, perhaps, the best country there is for sheep-raising. Being nearer Europe than Australia and New Zealand it has advantages over them, of which one is the great cheapness of all labour. They sell their produce, wool, and skins for gold prices, and pay all their expenses in a depreciated paper currency. Even as late as 1875 sheep were generally of a very inferior kind, and but little attention was paid to selection of stock. But from that year onwards great efforts were made to improve their condition and standard by purchase of well-bred animals. It is particularly in the last 15 years that wool has attained its present immense importance. The returns for capital invested are good, but not so excessive as is often supposed.

Sheep farming; general remarks.

Agriculture.

The whole area of the Argentine Republic is about 729,000,000 acres, of which 7,400,000 acres were believed to be cultivated in 1891. The province of Buenos Ayres contains over 22,000,000 acres, of which 2,400,000 acres were supposed to be cultivated; the province of Santa Fé contains nearly 33,000,000 acres, with about 2,000,000 acres cultivated. As this province of Santa Fé is far the most important, as regards agriculture, it will be expedient to deal with it in detail later on.

6,500,000 acres cultivated in Republic.

Agriculture has increased immensely in late years, especially wheat growing. The estimated yield of crops in 1891 for the whole Republic are as follows, according to some estimates, but none can be absolutely relied on, statistics of this nature being difficult to obtain accurately :—

Immense increase of agriculture.

RETURN showing Estimated Quantity and Area of Crops in the whole Argentine Republic during the Year 1891.

Crop.	Area.	Quantity.
	Acres.	Tons.
Wheat	3,300,000	825,000
Maize	1,700,000	930,000
Lucerne	1,200,000	3,000,000
Barley, &c.	400,000	160,000

As regards exports there is a great increase, especially for wheat, maize having fallen off a good deal.

RETURN of Exports of Wheat, Maize, and Linseed from 1885 to 1891.

Crop.	1885.	1887.	1889.	1890.	1891.
	Kilos.*	Kilos.	Kilos.	Kilos.	Kilos.
Wheat	78,000,000	237,000,000	22,000,000	327,000,000	395,000,000
Maize	197,000,000	361,000,000	432,000,000	707,000,000	65,000,000
Linseed	69,000,000	81,000,000	28,000,000	30,000,000	12,000,000

* 1 kilo. = 2·205 lbs.

Wheat growing greatly increasing. 1887 census of agriculture, province of Santa Fé.

The tendency is to greatly increase the cultivation of wheat much more rapidly than that of other crops, and even to diminish, relatively, the yield of other products.

The latest census giving statistics on cultivation is that of 1887 for the province of Santa Fé, which gives the following details of hectares cultivated:—

TABLE showing Number of Hectares* Cultivated in the Province of Santa Fé from the Year 1862 to 1887.

Year.	Wheat.	Maize.	Linseed.
	Hectares.	Hectares.	Hectares.
1862	3,267	..	..
1874	35,861	16,730	..
1880	130,012	31,979	6,121
1884	257,936	26,298	36,842
1887	401,652	60,901	73,009

* 1 hectare = 2·471 acres.

1870 produce only enough for province.

Here we see a remarkable development even up to 1887, and the increase since has been much more wonderful. In 1870 the agricultural produce of that province was only sufficient for its

internal consumption. Then it began to export principally wheat and maize. Soon afterwards flour mills were established, and large quantities of flour were exported.

A brief statement of the position of the province of Santa Fé to-day, as regards agriculture, is now stated as accurately as is possible from apparently good information. Agriculture in province of Santa Fé in 1891.

RETURN showing Value and Quantity of Crops in the Province of Santa Fé during the Years 1890–91.

Crop.	Value.	Area.		Yield.
		1890.	1891.	1890–91.
	£	Hectares.	Hectares.	Kilos.
Wheat	3,764,000	528,000	700,000	526,000,000
Maize	88,000	57,000	70,000	22,000,000
Linseed	168,000	22,000	40,000	18,000,000

A large portion of the maize crop was lost, making the yield small. The total value of crops of wheat, maize, linseed, sugar, and lucerne in 1891 was probably 4,295,000*l.* The 1890–91 crop of wheat was exceptionally good, and must not be taken as an average yield.

The large export houses of Buenos Ayres have their agents in the province, who again have their agents and buyers who travel about to buy crops. The colonists have no difficulty, therefore, in disposing of their crops on the spot if the price offered suits them. At Rosario, the chief port of that province, there are four large grain-elevators, which can load ships at the rate of some 50,000 bags a day. They are built on the American plan, and work well. Freights, in paper dollars, on cereals and other produce are to-day much about the same as in France and Germany when reduced to gold. Years ago, when gold was at par, they were far heavier. The facilities of communication are great from the interior to the port of Rosario and other minor ports. These are afforded by 2,827 kiloms. of railway, and by the River Parana along the whole eastern frontier of this province. Another 1,000 kiloms. are now under construction. Commerce in cereals. Freights. Communications.

Agriculture is hampered by several insects, notably the locust. The "isoca" also is destructive, sometimes destroying young linseed, and no remedy is known for it. "Isoca."

Locusts have for many years devastated at times the province of Santa Fé. To a certain extent they seem periodical, there being some years occasionally almost free from them. Fortunately for wheat they come at a time when they do it little harm. But for maize it is different; locusts come just at the wrong time, when it is still young and tender, and it does not recover. Large crops were lost last year from this cause. The hopping locusts hatch in October and November after 40 days as eggs. Locusts do not harm wheat much, but destroy maize

Means taken by Government to exterminate locusts.

Locusts have made such devastations among the crops that every attempt has been made, and fruitlessly, to exterminate, or at least reduce their number. The provincial Government of Santa Fé have now voted a sum of 300,000 dol. (19,000*l.*) to help in its extinction. But it seems impossible to do anything effectually, especially where the population are so few and scattered, being only some 300,000 in a province of 36,000 square miles.

Diseases of wheat.

There are also some diseases affecting wheat, namely, "filletia" and "el polvillo." The first was unknown till 1881.

Frosts, insurance against.

Climatic accidents detrimental to the crops are frosts, which do not often occur in that province. Moreover, since 1888 frost can be insured against.

The average yield of crops are :—

Crop.	Kilos. per Hectare.*	
	From—	To—
Wheat	800	1,000
Maize	1,500	2,000
Linseed	700	800

* 1 hectare = 2·471 acres.

Good land rented at 4*s.* a hectare; and bought at 2*l.* 10*s.* Ports of province. Rainfall.

Good lands can be rented at 4*s.* a hectare (2½ acres) and bought at 2*l.* 10*s.* a hectare. Some lands are let or sold for a given quantity of corn to be delivered in so many years.

The province of Santa Fé has nine ports, the only ones of importance, however, being Rosario and Santa Fé. The rainfall has increased with the extension of cultivation. Water is found at depths varying from 3 metres to 17 metres. The depth of mould is from 30 centims. to 70 centims.

Wheat, general remarks on.

Many circumstances have combined to increase the cultivation of wheat; the high price in Europe from 1870 to 1883, the employment of modern agricultural machines, and the extension of railways so greatly facilitating transport. Some of the land of the old colonies is getting exhausted, and has to lie fallow for a few years. The Swiss, Germans, French, and Italians do the best in wheat-growing. The wheat sown is that known as "barleta colorado," which greatly resembles the "red winter" in the United States.

Land in old colonies.

Class of wheat sown.

Maize.

In 1891 the quantity of maize grown was only one-tenth of the wheat total. Its value is much less than wheat, varying from 6 dol. to 10 dol. (7*s.* 6*d.* to 12*s.* 6*d.*) per 100 kilos.* It is more difficult to harvest cheaply, because machines cannot be used for that purpose.

Price of maize.

Linseed.

Linseed stands third in importance, and has originated an

* 1 kilo. = 2·205 lbs.

important new industry, that of oils. It is used largely for building purposes, and has supplanted the foreign import to a large extent.

Another important oil-producing plant is maní, which is cultivated on some 10,000 hectares. From it is made table-oil to the extent of 2,000,000 kilos. a year. The large Italian and Spanish population use it extensively. Maní.

In November, 1891, the Provincial Government of Santa Fé passed a law imposing a tax on wheat and linseed, and worded as follows:— Grain tax in province of Santa Fé, history of.

"Art. 1. Any transaction in wheat and linseed effected in the province shall pay only once a tax of 10 c. every 100 kilos. of wheat, and the same for every 100 kilos. of linseed. 10 c. per 100 kilos. tax on wheat and linseed.

"Art. 2. Any concealment or inexact declaration, made with the object of evading payment, will be punished by a fine equal to double the value of the tax."

This tax was strenuously opposed by all classes. Finding the tax difficult to collect, the Government auctioned the privilege of collecting the tax for 300,000 dol. (19,000*l.*). It had been estimated that it should produce 1,500,000 dol. (94,000*l.*) to-day. Large export firms opposed the tax successfully as being unconstitutional, and were supported by the federal judge of Rosario, but judgment has recently been passed by the Supreme Court that the law imposing a tax on cereals is legal. This has again raised great opposition, and has made transactions in grain more difficult. Meetings have lately been held to protest. While this Government tax is hampering agriculture, an "agricultural league" has been formed by prominent farmers, with the object of finishing and improving roads and bridges, which are a serious impediment to quick and easy transport. Another object of the league is said to be to extend the railway lines—a doubtful undertaking, it would seem, at the present time. Farmed out for 19,000*l.* Great opposition to. "Agricultural league."

This question of the grain-tax is a most important one to the development of agriculture. It may, if farmed out and unequally collected, retard somewhat all wheat-growing. A tax in some form on agriculture is considered by some persons to be equitable, seeing that the chief riches of the province are derived from that source. Fairness of tax.

Of the 1891 crop of 526,000,000 kilos.* of wheat, in the province of Santa Fé, it is estimated that 360,000,000 kilos. were sent out of the province, 119,000,000 kilos. were converted into flour by the flour-mills, 37,000,000 kilos. were used as seed, and that over 10,000,000 kilos. are still stored away, the prices of wheat having fallen so low at the close of last season that many colonists refused to sell. From the port of Rosario alone some 150,000,000 kilos. of wheat were exported abroad. It has been calculated that the Argentine Republic exported in 1880 half a kilo. of wheat per inhabitant, in 1885 5 kilos. per head, and in 1889 117 kilos. In 1890 the number of kilos. per inhabitant exported reached 259 kilos. Destinations of 1891 wheat crop. Export of Republic ½ kilo. per inhabitant in 1880, and 259 kilos. in 1890.

A few remarks on agriculture in the province of Buenos Province of Buenos Ayres.

* 1 kilo. = 2·205 lbs.

Ayres will not be uninteresting, though comparatively new, as its importance is every day becoming greater.

Agriculture and new departure.

The province of Buenos Ayres has, until the last 5 years, been a purely pastoral province. But during the period 1887 to 1892, agricultural experiments, some on a large scale, have been so successful that an immense impetus has been given to agriculture which may, in the opinion of some sanguine persons, in years to come almost rival the purely agricultural province of Santa Fé.

Locusts.

During the last 3 years locusts have caused great havoc amongst the crops. Formerly they only appeared at long intervals, giving this province an advantage over that of Santa Fé.

1881 census.

The 1881 census is the last taken in this province, and a few notes from it of agriculture at that date may be of value.

The following table gives the proportions, at that date, of pasture, farm (or "chacra") lands, and those allotted to towns (excluding, of course, the federal city of Buenos Ayres).

TABLE showing the Census Areas for the Year 1881.

Description.		Area.
Buenos Ayres province	Sq. kiloms.* ..	310,307
Pasture lands	Hectares ..	30,441,032
"Chacra," or farm lands	„ ..	583,668
Town lands..	„ ..	6,000

* 1 kilom. = 0·62138 mile.

TABLE showing the Areas Cultivated for the Chief Crops for the Year 1881.

Crop.		Area.
Wheat	Hectares† ..	100,498
Lucerne	„ ..	36,154
Fruit trees	„ ..	29,259
Linseed	„ ..	29,192
Trees	„ ..	25,340
Potatoes	„ ..	17,617
Vegetables and rye	„ ..	7,706
Barley	„ ..	6,215

† 1 hectare = 2·471 acres.

Agricultural prospects, Buenos Ayres province. "Agrarian league."

The agricultural prospects of the province of Buenos Ayres are, generally considered, to be of great promise.

There has just been started in Buenos Ayres, by many influential landowners, an agrarian league, whose object is to better the condition of the province of Buenos Ayres. Briefly, they require a new valuation of the land, a better protection of life and property, reduced railway tariffs, the construction of roads

and bridges, a reduction of taxes (especially on land and cattle), reform of police and local authorities, and a special newspaper to further their cause.

TABLE showing the Estimated Quantity and Value of Crops in the Argentine Republic for the Year 1891–92.

Crop.	Quantity.	Value.
	Tons.	£
Wheat	825,000	5,100,000
Alfalfa	3,000,000	4,740,000
Maize	930,000	2,700,000
Barley	160,000	640,000
Sugar	60,000	600,000
Tobacco	6,000	124,000
Sundries	unknown	2,360,000

As to the province of Santa Fé the estimated area cultivated this year is 2,122,000 acres, according to provincial official figures, and the estimated crops are as follows for the last two years :—

TABLE showing the Estimated Quantity of Crops for the Province of Santa Fé for the Year 1890–91 compared with 1891–92.

Crop.	Quantity.	
	1890–91.	1891–92.
	Tons.	Tons.
Wheat	501,000	496,000
Alfalfa	138,000	422,000
Potatoes	31,000	45,000
Maize	18,000	47,000
Maní	16,000	10,000
Linseed	15,000	36,000

Decline of wheat yield in 1891–92.

It will be seen that in 1891–92 the wheat crop was not as extensive or plentiful as in 1890–91, all other crops, however, increasing largely.

Potato crop.

Potatoes have in the last few years become a most valuable crop, and thrive particularly well in the province of Buenos Ayres. They are exported largely to the Uruguayan Republic.

General remarks.

The soil and climate of the province of Santa Fé combine to make it particularly suitable for agriculture. The soil is rich, free from stones, and unencumbered by trees except in remote districts.

Agricultural lands cheap.

Good lands for agricultural purposes are cheap, 1*l.* to 2*l.* an acre near railways; and, as before mentioned, extensive railway communications and convenient river carriage make transport and

export easy. Just now too labour is particularly cheap, and good profits are obtained from the crops. Taxes are not heavy, neither are the various dues on produce.

For details as to land in colonies in different parts of the Republic see my former report, No. 216, Miscellaneous Series.

Mr. Fleiss' estimates of crops and areas in 1891-92.

Some figures by Mr. Alois Fleiss, who appears to be one of the greatest authorities on agriculture, will be of interest. He estimates that the total area under crops has increased from 7,487,000 acres in 1891 to 8,862,000 acres in 1892; that in 1892 the area cultivated in the province of Buenos Ayres was 2,765,000 acres, and in the province of Sante Fé 1,985,000 acres. The areas and weight of crops he gives as follows:—

ESTIMATE of Areas and Crops in 1891 by Mr. Fleiss.

Crop.	Area.	Quantity.
	Acres.	Tons.
Wheat	2,996,000	1,130,500
Maize	2,050,000	968,000
Alfalfa (lucerne)	1,495,000	5,805,000
Linseed and turnips	142,000	54,500
Grapes	72,000	..
Tobacco	13,000	5,485

Joint Stock Companies.

Joint Stock Companies.

Data are here taken from the General Register of Commerce where joint stock companies (sociétés anonymes) have to be inscribed to obtain a legal status.

In 1882, public peace having been restored, and there being great confidence in its continuance, expenditure of every kind increased and was greatly facilitated by easy credits. Then speculation began and joint stock companies of every kind rapidly increased.

TABLE of Joint Stock Companies formed in Buenos Ayres in the Ten Years 1882–91.

Years.	Number of Companies started.	Declared Capital.
		Paper dols.
1882	9	10,000,000
1883	8	9,000,000
1884	10	11,000,000
1885	12	12,000,000
1886	15	33,000,000
1887	40	94,000,000
1888	70	196,000,000
1889	120	378,000,000
1890	39	190,000,000
1891	6	13,000,000
Total	327	950,000,000

Here capitals amounting to 10,000,000 paper dol. in 1882, slowly increased to the year 1886 when speculation greatly increased; the amount invested that year in joint stock companies reaching 33,000,000 dol., and in 1887, 94,000,000 dol. In 1888 the amount more than doubled, attaining 196,000,000 dol., and in the following year, 1889, the enormous sum of 378,000,000 dol., equivalent in pounds sterling to over 40,000,000*l.* at the depreciated value of paper in that year. In these latter years shares of almost any company floated were sure to be taken up by the public—a veritable South Sea Bubble. Speculation. In 1889, 378,000,000 dol. destined to them.

In 1890 came the financial crisis, the Revolution, and the unsatisfactory economic condition of the country generally, and, consequently, a complete cessation of all speculation. Personal credit vanished, banks were hard hit, and all industries and commerce were profoundly disturbed. In 1890 only 34 new companies were formed with declared capitals of 190,000,000 dol. and of which the greater number were started before the crash came, a great contrast to 1889 with 120 companies and capital amounting to 378,000,000 dol. That sum of 190,000,000 dol. in 1890 includes a sum of nearly 88,000,000 dol., the capital of the Buenos Ayres Great Western Company, Limited, which was formed to acquire the network of railways owned by the province of Buenos Ayres, reducing the capital for ordinary companies to 102,000,000 dol. only. 1890 crisis. Contrast of 1889 and 1890.

In 1891, six companies only with 13,000,000 dol. capital were started, or much about the same capital as that devoted to joint stock companies in 1885—a retrogression of 6 years, but which implied a return to sound principles. 1891.

RETURN showing Classification of Capitals of Joint Stock Companies formed in 1889.

Description.	Amount.
	Million dols.
Land speculation	165
Railways	150
Insurance	138
Banking	137
Industrial	94
Navigation	61
Agriculture and stock	49
Commercial	35
Colonisation	38
Tramways	31
Hygienic undertakings	15
Supplying provisions	6
Telephones	5
Mining	10
Land transport	4
Various	3
Total	950

Mad speculation in lands.

The foregoing rough division of the objects to which the nominal capitals, invested in the years 1882 to 1891 in the 327 joint stock companies, serves to show the mad speculation, especially in lands.

It must, however, be remembered that many of these companies were unable to dispose of their whole capital, many only selling a few shares, others none. Still, it shows the excess to which everything was carried in financial matters in those times.

A Commission, named by the National Government, is now investigating the state of joint stock companies, with the object of liquidating those not legally organised.

Land speculation in 1889.

Land speculation in 1889 formed 17 per cent. of the whole, and railway speculation 15 per cent. Really land speculation probably formed 40 per cent., as a large portion of the capital under banking, and under other heads as well, covered speculations in lands.

Mortgages of Real Property in Buenos Ayres.

Mortgages of real property.

Records on this subject are only obtainable, since 1889, from the Registry of Mortgages and Conveyances for the federal capital of Buenos Ayres.

TABLE showing Extent Mortgaged and Price during the Years 1889–91.

Year.	Cubic Metres Mortgaged.	Price of Mortgages.
		£
1889	5,349,000	3,891,000
1890	2,985,000	1,606,000
1891	2,640,000	904,000
Total	10,975,000	6,403,000

During the great year of speculation, 1889, over 5,000,000 cubic metres of landed property in Buenos Ayres were mortgaged for nearly 4,000,000*l.* 1890 shows a decrease of nearly one-half in area and of nearly two-thirds of the money raised, and 1891 shows a still greater fall both in quantity and value, due to the withdrawal of capital from speculation. In 1891 money was only raised out of necessity, and not, as in former years, chiefly for purposes of speculation.

In 1889, 5,000,000 cubic metres mortgaged.

RETURN of Nationality of Mortgagors and Mortgagees in Buenos Ayres from 1889 to 1891.

In 1,000 Dollars.*	Nationalities.	Number of Mortgagors.	Amounts raised on Mortgage.	Number of Mortgages.	Sums lent on Mortgages.
			Dollars.		Dollars.
– 21,456	Argentines	1,739	35,041,000	809	13,584,000
+ 410	Italians	1,331	7,767,000	1,396	8,178,000
+ 327	Spaniards	175	1,626,000	212	1,951,000
+ 1,444	Frenchmen	164	2,156,000	152	3,301,040
+ 2,607	Englishmen	53	1,504,000	66	4,111,000
– 1,193	Germans	65	1,242,000	57	2,436,000
18	Uruguayans ...	14	179,000	19	160,003
...	Various	513	20,214,000	345	10,348,000
...	Corporations, companies, &c. ...	54	6,042,000	950	31,699,000
Total ...	...	4,108	75,774,000	4,006	75,774,000

* – Equals sums raised. + Equals sums lent.

This table shows that from 1889 to 1891, 3 years only, the value of the properties mortgaged by Argentines amounted to 35,000,000 dol., or 21,000,000 dol. in excess of sums lent on mortgage by Argentines, and that the mortgagors exceeded the mortgagees by 930. This does not speak favourably of Argentine stability as regards property, in the capital of Buenos Ayres at any rate. Moreover, what has taken place in the capital in those years may be fairly taken as a criterion of what has taken place all over the Republic. All foreign nationalities, except Uruguayans, lent far larger sums on mortgage than they raised by mortgaging. The excess lent by them on mortgage reaches some 5,500,000 dol. The sum of 31,000,000 dol. lent by corpora-

Argentines mortgages in 3 years 35,000,000 dol.

Mortgages in Buenos Ayres typical of whole Republic.

Foreigners lend large sums on mortgages.

English advanced most on mortgage.

tion, companies, banks, &c., also probably represents a very large proportion of foreign capital. The English have advanced most on mortgage privately, and, no doubt, also through the medium of banks, companies, &c. Germans stand second in supplying money on mortgage, then French. Many of these mortgaged properties will, possibly and probably, eventually pass into the hands of the mortgagees, thus increasing the already large amount of property now possessed in the country by foreigners.

RETURN of the Sales of Real Property in Buenos Ayres from 1886 to 1891.

Years.	Number of Properties Sold.	Cubic Metres Sold.	Prices Obtained.		Equivalent.
			Paper.	Gold.	Sterling.
			Dollars.	Dollars.	£
1886	4,402	5,000,000	38,000,000	27,000,000	5,000,000
1887	6,316	6,000,000	83,000,000	62,000,000	12,000,000
1888	6,949	6,000,000	123,000.000	83,000,000	16,000,000
1889	10,370	10,000,000	304,000,000	156,000,000	31,000,000
1890	5,353	5,000,000	103,000,000	40,000,000	8,000,000
1891	8,607	8,000,000	90,000,000	23,000,000	4,000,000
Total	41,997	40,000,000	742,000,000	394,000,000	78,000,000

Number of sales doubled.

From 1886 the sale of real property increased from a total of 4,402 sales to a total of 6,949 sales in 1888, and to 10,370 sales in 1889, falling to half that number in 1890, due to the effects of the financial crisis which almost paralysed all business and stopped speculation. In 1891 8,607 properties were sold, mostly small ones, the total proceeds only realising one-half of those sold in the previous year. To show the average value of the square mètre sold in each year is of no use, as there is no distinction made in the available statistics between lands built on and those without buildings.

The nationality of buyer and seller of these properties is of the greatest importance as showing the tendency of each nationality to acquire or sell landed property, and especially as comparing foreigners and Argentines.

TABLE showing Nationalities of Buyers and Sellers of Real Property in Buenos Ayres for the Years 1886–91.

Nationality.	Population in 1887.	Number of Proprietors in—		Decrease or Increase.	In Six Years.		Difference, + buyers, − sellers.
		1887.	1891.		Number of Buyers.	Number of Sellers.	
Argentines	27,877*	15,366	10,789	− 4,577	15,619	21,207	− 5,588
Italians	91,484	12,349	16,919	+ 4,570	15,764	10,555	+ 5,209
Spanish	26,980	2,853	3,365	+ 512	3,089	2,330	+ 759
French	11,144	1,977	2,457	+ 480	1,952	1,427	+ 525
English	2,444	569	884	+ 315	850	577	+ 273
Germans	2,445	446	493	+ 47	678	662	+ 16
Uruguayans	5,955	479	505	+ 26	298	260	+ 38

* Only adult Argentine males over 20 years of age are here included. For other nationalities, all males are included in population.

Argentines sold; foreigners bought lands.

Comparing the number of buyers and sellers in the 6 years it will be seen that the excess was largely in favour of the buyers for all nationalities except Argentines, whose number of sellers exceeded buyers by 5,588. No women are included in the populations given in this table. Children are included in all except the Argentines, but the numbers of purely foreign children residing here are far less than among the Argentine population, as all children born here are classed as Argentines, and may be excluded in these figures.

From 1887 to 1891 loss of 4,577 Argentine proprietors.

Comparing the number of proprietors of each nationality in 1887 and 1891, we find a loss of 4,577 Argentine proprietors, and a gain of an equal number of Italian ones, and a considerable increase of proprietors of all other nationalities. The number of Argentines selling their properties steadily increased from 1886 to 1889, and in the 3 years 1889 to 1891 over 12,000 sold as against 8,000 purchasing. Italian purchasers have more than doubled in the 6 years, and numbered 3,884 in 1891 as against 1,600 sellers. The progress effected by Italian proprietors in the last 6 years is very marked, other nationalities also showing up favourably.

Italian buyers doubled in 6 years. Progress of Italian proprietors.

The next point of interest is the value of these sales and purchases of each nationality :—

RETURN of Value of Sales and Purchases for the Six Years 1886–91.

Nationality.	Number of Buyers.	Value of Purchases.	Number of Sellers.	Value of Sales.	Difference.*
		Dollars.		Dollars.	Dollars.
Argentine	15,619	341,586,000	21,207	401,616,000	− 60,030,000
Italian	15,764	96,533,000	10,555	89,456,000	+ 7,077,000
Spanish	3,089	36,821,000	2,330	34,133,000	+ 2,688,000
French	1,952	31,087,000	1,427	26,953,000	+ 4,134,000
English	850	20,997,000	577	13,341,000	+ 7,658,000
German	678	12,617,000	662	12,130,000	+ 487,000
Uruguayan	298	7,950,000	260	7,055,000	+ 895,000
Other nationalities ...	4,051	93,509,000	3,835	96,243,000	− 2,734,000
Banks, companies, &c. ...	360	101,464,000	1,635	61,998,000	+ 39,466,000

* + equals purchases; − equals sales.

60,000,000 dol. excess of sales over purchases for Argentines. Transferred to foreigners.

This table gives some curious results, and shows that Argentine sales of properties exceeded purchases to the value of over 60,000,000 dol., which was bought up by foreigners and by various companies and corporations (mostly in foreign hands). Of these 60,000,000 dol., some 20,000,000 dol. were transferred to English, Italian, French, and Spanish purchasers, and mainly to Englishmen and Italians. The remaining 39,000,000 dol. were acquired by various companies, probably chiefly formed of British and other foreign capital. Here, therefore, the nationality of the purchasers cannot be ascertained. And it is just possible, though highly improbable, that this Argentine loss of 60,000,000 dol. of property might be partially compensated by Argentine purchasers in the name of various companies. But it seems fair to assume that what has taken place amongst private

persons will also have taken place, likewise, among public companies with public capital.

Similarly, it may be safely presumed that, as this large transfer of Argentine property to foreign hands has taken place in late years in this capital, a similar transfer has come about in other towns and in all the provinces of the Republic. It points to the greater importance assumed every day by foreigners in this country, and is a serious question to the purely Argentine element of the Republic.

Similar transfer in whole Republic.

The foregoing exposition will serve to impress the magnitude of the steadily increasing foreign wealth, that is, of foreign capital continually being invested in this vast country. To appreciate fully its importance, it would be necessary to examine and compare the purely Argentine, the semi-Argentine, and the purely foreign component parts of the nation, as also their relative importance and development in politics and commerce.

Magnitude of increasing foreign wealth

If the total value bought by each nationality be divided amongst the total number of buyers, the average value of each purchase for each nationality is obtained, and gives the following results :—

Average value of each purchase by each nationality.

Nationality.	Average Value of each Purchase.
	Dols.
English	17,796
Argentine	13,767
French	13,820
Uruguayan	13,767
Italians	5,489

The English, therefore, buy the largest properties and Italians the smallest, generally. A great number of Italians buy small properties in the country and small houses in the capital and in other towns, even among the lower classes. There are very large numbers of small Italian proprietors. With the English it is different; only the richer classes, with capital, buy properties either in towns or in the country. Hardly any English of the lower classes invest money in house or land property.

Italians buy smallest properties.

Difference between Italian and English in acquiring property.

It is proposed to make, shortly, a new valuation of real property in Buenos Ayres, and the results will be most interesting as the nationality of each proprietor is to be ascertained. That will show precisely how far the houses and land in this federal capital are owned by foreigners, and what is the total amount of foreign capital invested by each nationality in this city.

Proposed new valuation of all real property.

Navigation.

Navigation to the Argentine Republic has greatly increased in the last 10 years, having more than trebled, as regards tonnage

Increase from 1883 to 1890.

entries, in the 8 years 1883 to 1890, the figures being nearly 2,000,000 tons in 1883 and over 6,000,000 tons in 1890. The official figures of the Government Statistical Office are here used and quoted. In considering the following table, it must be remembered that all Argentine and Uruguayan vessels figure in the totals there given. The frequent short trips of these Argentine and Uruguayan vessels bring up the total of ships and tonnage to a high figure and should be deducted in considering purely foreign trade, for Uruguayan trade may be almost considered as local, nearly all the tonnage entries being made up of small steamers regularly plying from Montevideo to Buenos Ayres, and may certainly be considered as home trade in dealing with foreign trade generally. For this reason in 1890, for instance, 1,500,000 tons for steamers and 319,000 tons for sailing vessels under the Argentine flag must be deducted, as also 64,000 tons for steamers and 310,000 tons for sailing vessels under the Uruguayan flag. So that in 1890 2,250,000 tons in all must be deducted, the remaining 4,000,000 tons being exclusively the tonnage of all foreign ships arriving in that year (excluding Uruguayan), and may therefore be considered as representing purely foreign trade. In considering the other years a like deduction of about one-third should be made in every case to arrive at the approximate figures for foreign trade.

Uruguayan trade practically local.

Deductions to arrive at purely foreign trade.

1890, 4,000,000 tons of foreign trade.

TABLE showing Totals of Tonnage of Vessels Entering Argentine Ports, External and Internal Trade, during the Years 1883–91.

Year.	In 1,000.			External, in 1,000.				Internal, in 1,000.	
	Total Number of Ships.	Steam.	Sailing.	Total.	Steam.	Sailing Vessels.	Estimated Foreign Trade.	Number of Ships.	Total.
				Tons.	Tons.	Tons.	Tons.		Tons.
1883	7	3	3	1,954	1,437	517	1,200	22	2,063
1884	10	5	5	3,012	2,278	733	2,200	23	2,429
1885	11	6	4	3,601	2,829	771	2,400	26	2,925
1886	11	6	4	3,515	2,751	764	2,400	24	2,636
1887	12	6	5	4,471	3,460	1,010	3,000	24	2,235
1888	13	5	7	4,885	3,692	1,192	3,200	23	2,592
1889	14	6	8	6,711	5,036	1,675	4,400	23	3,227
1890	13	7	6	6,340	5,052	1.288	4,200	22	3,324
1891	10	7	3	5,275	4,577	697	3,800	22	2,495

Entries doubled from 1883 to 1889; foreign tonnage quadrupled.

On considering this table it will be seen that the total number of ships entering the ports of this Republic doubled in the 7 years 1883 to 1889. The total tonnage of all foreign vessels (excluding Uruguayan) in that period nearly quadrupled. Both declined in 1890 and still further in 1891.

1890 steamer tonnage and sailing compared. Decrease in 1890 of ships and tonnage.

Since 1890 the tonnage of steamers has increased proportionally and that of sailing vessels has fallen. Steamers seem to be largely taking the place of sailing vessels in the trade to the River Plate. The year 1890 shows a decrease in the total number of ships and in total tonnage; the amount of tonnage for steamers still being the same, but with a loss of nearly 400,000 tons for sailing vessels. 1891 shows a further decrease in this respect.

Statistics of British shipping.

English statistics for 1891 show that the whole tonnage of British ships has enormously increased from 1882 to 1891, namely, from 5,900,000 tons to 8,247,000 tons; steamer tonnage having increased 2,000,000 tons in that period, and that of sailing vessels having declined 600,000 tons.

Internal navigation.

Internal navigation, for the same period, has remained more or less stationary during the years 1883 to 1890, there being only an increase of 60 per cent. in tonnage, and no increase in number of ships. 1891 shows a considerable decrease in tonnage.

Analysing navigation in 1890 we find the respective proportions of the nations participating in the River Plate, as shown by the following table :—

ANALYSIS of Entries of Foreign Ships in 1890 in Order of Importance of Tonnage.

Class.	Nationality.	Total Number of Ships.	Steamers.	Sailing Ships.	Total.
			Tons.	Tons.	Tons.
1	British	3,427	2,291,000	357,000	2,649,000
2	French	213	391,000	5,000	397,000
3	Uruguayan	1,955	310,000	64,000	375,000
4	Italian	356	104,000	122,000	306,000
5	German	246	252,000	391,000	292,000
6	Norwegian	427	...	228,000	228,000
7	Spanish	86	37,000	17,000	55,000
8	Swedish	91	2,000	42,000	44,000
9	Brazilian	174	35,000	2,000	37,000
10	North American	57	...	36,000	36,000
11	Belgian	13	19,000	...	19,000
12	Danish	30	...	10,000	10,000
13	Paraguayan	119	8,000	500	9,000
14	Russian	13	...	6,000	6,000
15	Dutch	9	...	3,000	3,000

British ships one half of whole.

British tonnage three-fifths of whole.

Here the British flag greatly predominates. The total number of British ships entering Argentine ports in 1890 forms about one-half of the whole; their tonnage forms nearly three-fifths of the total. The tonnage of sailing vessels under the English flag is only one-seventh part of the total British tonnage, and yet is about equal to the whole tonnage of each of the following nations, France, Italy, and Germany. The total tonnage of

English vessels entering this Republic in 1890 was 2,649,000 tons of which 2,291,000 tons were steamer tonnage.

France, Italy, Germany, and Norway stand next in importance and in that order. Of far lesser importance are Spain, Sweden, Brazil, and North America. The rest are insignificant. The large amount of Uruguayan tonnage has been previously explained. Over 2,500,000 British tonnage.

Hence it will appear that as regards the carrying trade to this country, Great Britain holds a most satisfactory position. Satisfactory position of England.

Consular returns of British ships entering the port of Buenos Ayres during 1891 give the following figures :—

RETURN of Entries of British Ships at the Port of Buenos Ayres from Various Countries in the Year 1891.

Countries.*	Total Number of Ships.	Number of Seamen.	Total Tonnage.
Great Britain and colonies ..	285	7,566	362,442
Argentine ports	67	1,822	54,371
Belgium..	11	286	15,004
Various	12	292	13,647
United States	12	159	8,396
Spain	7	171	7,804
Uruguay	7	119	5,989
Brazil	8	100	3,996
Italy	1	23	1,200
France	1	8	463
Paraguay	1	6	144

* River steamers under British flag not included in Consular returns.

Comparing this return of 1891 with that of 1890 there is a considerable decline of British shipping in the total tonnage, and a large falling-off in the number of ships. This year has shown a slight revival, due to greater confidence and more activity in all commerce. British trade 1890-91.

Chief Ports of the Republic.

The growth of the chief ports of this Republic is not wanting in interest. The port of Buenos Ayres occupies an extraordinary position, about three-fourths of the whole imports and exports passing through its custom-house. Formerly, Buenos Ayres had only an open roadstead for its large shipping, steamers of any size being obliged to lie 10 miles out in the River Plate to get sufficient depth of water. The Riachuelo stream gave shelter to smaller ships. In 1890 two docks of the new port of Buenos Ayres (known as the Puerto Madero) were opened, and a third in April, 1892, affording accommodation for large steamers. Chief ports of the Argentine Republic.

The port of La Plata was last year opened to commerce with fine dock accommodation for the largest steamers. A Government Port of La Plata exceed the port of

Buenos Ayres for ships unable to enter Buenos Ayres port.

decree provided that all steamers and other vessels, unable to enter the Buenos Ayres port, should discharge and load cargoes at the port of La Plata, which is connected with this capital by some 30 miles of railway. This decree has naturally led to an increase in the amount of shipping at that port, and to a sudden rise in its importance commercially, not so much for the province of Buenos Ayres, but as a secondary port for the city of Buenos Ayres. As a shipping port, in itself, it is unlikely ever to rise naturally to great importance unless favoured by national or provincial decrees, or by unforeseen circumstances. The position of La Plata is geographically disadvantageous to its commercial development as an independent port. It is too near Buenos Ayres and is not a railway centre. Two railways only radiate from it. It is true it is now the provincial capital; but is not a commercial town of any importance at present. La Plata was only founded in 1886 by the Provincial Government when the city of Buenos Ayres finally became the federal capital of the Argentine Republic. Previous to 1886 there was only a small town near the present port. In 1889 the population of La Plata was estimated at 60,000 people, and now only at 25,000, consisting principally of Provincial Government officials, and a commercial community sufficient to supply their wants, the country districts round, and some export trade. A very large sum has been expended on the port of La Plata, and it is said 500,000*l.* more are required to complete it. The approach to the port from the River Plate does not appear to be altogether satisfactory, and requires constant dredging. The port works of Buenos Ayres have cost a far larger sum, and also appear not to be entirely satisfactory, the entrance channel being so small and ships often grounding outside it.

Position of La Plata.

Town of La Plata founded 1886.

State of La Plata and Buenos Ayres ports.

A few details and statistics of the development of the chief ports will now be given.

Port of Buenos Ayres.

The Buenos Ayres port will comprise four large docks and two basins; the south basin and docks 1, 2, and 3 are completed, dock 4 is not yet begun. The south basin is 25 acres in extent, and at ordinary tides there is 23 feet 10 inches depth of water. At low water the depth is 21 feet 4 inches. The docks are well supplied with hydraulic cranes capable of lifting 30 cwt. and discharging 40 tons per hour. The area of the three docks built is 73 acres. Official statistics give the following figures :—

RETURN of Total Tonnage Entries at Buenos Ayres Port during the Years 1885–91.

Year.	Exterior.			Interior.		
	Sailing.	Steam.	Total.	Sailing.	Steam.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1885	582,000	1,043,000	1,626,000	201,000	291,000	492,000
1889	1,086,000	2,098,000	3,184,000	169,000	966,000	1,135,000
1890	860,000	1,861,000	2,721,000	216,060	597,000	814,000
1891	481,000	1,626,000	2,108,000	240,000	705,000	945,000

Exterior trade doubled from 1885 to 1889, and interior trade more than doubled. Both have decreased greatly since as regards total tonnage. Sailing ships have fallen off immensely in the foreign trade, but have increased for local interior commerce.

A comparison of the values in gold dollars (5 dol. 4 c. equals 1*l.*) imported and exported at the six principal ports of the Republic follows, during the years 1881 to 1891, to show their growth. Comparison of imports and exports of 6 chief ports.

According to official statistics the total value of all imports and exports for the whole Republic has been:—

TABLE showing the Total Value of Imports and Exports of Argentine Republic during the Years 1881–91.

Year.	In 1,000,000 Gold Dollars.	
	Imports.	Exports.
1881	55	57
1885	90	83
1889	164	122
1890	142	100
1891	67	103

The value of imports has always exceeded that of exports since the year 1881, and in a gradually decreasing proportion.

The following six ports head the list in 1890 as regards the value of imports.

COMPARISON of Imports and Exports of Six Chief Ports according to Values during the Years 1881–91.

Ports.	In 1,000 Gold Dollars.									
	1881.		1885.		1889.		1890.		1891.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
Buenos Ayres	45,696	40,577	69,787	51,996	120,369	78,221	103,175	57,742	47,010	64,429
Rosario	6,562	4,467	11,924	12,430	29,503	13,130	15,640	16,004	7,646	16,898
Santa Fé	139	59	407	761	1,823	602	5,421	1,130	5,367	2,070
Bahia Blanca	366*	2	548	670	675	3,506	3,306	3,068	443	2,105
La Plata	..	..	108†	71‡	2,756	670	3,001	1,129	2,077	1,439
Paraná	259	52	442	304	1,229	212	296	135	133	451
Total	53,022	45,157	83,216	66,232	156,355	96,341	130,839	79,208	62,676	87,392

* For the year 1882. † For the year 1886. ‡ For the year 1887.

With regard to Buenos Ayres it will be noticed that in 1881 that port received 45,000,000 gold dol. out of a total of 55,000,000 dol., and that each succeeding year shows a smaller proportion of the whole at the Buenos Ayres custom-house; the other ports of the Republic obtaining yearly a greater share of the total imports. In 1890, 103,000,000 dol. only out of 142,000,000 dol. passed through the Buenos Ayres customs: similarly with the exports. Whereas in 1881 the exports at Buenos Ayres formed two-thirds of the total exports, in 1890 they only formed a little over one-half.

Port of Rosario.

A wonderful development of trade has taken place at the port of Rosario. In the eight years 1881 to 1889 the official value of its imports increased from 6,000,000 gold dol. to 29,000,000 dol., or nearly 500 per cent., and the value of the exports from 4,000,000 dol. to 13,000,000 dol., or over 300 per cent. Rosario has become a great port, and will, undoubtedly, yearly develop further. Its position is advantageous for the distribution of merchandise to the upper and central provinces. It has several lines of railway radiating from it; geographically speaking it is the distributing centre of the whole Republic.

Port of Santa Fé.

The port of Santa Fé stands third in importance in 1890, but its imports only amount in value to one-third of those at Rosario, and its exports to one-fifteenth of that port's exports. It has, however, greatly increased its trade since 1881, the value of the imports having increased from 139,000 dol. in that year to 15,640,000 dol. in 1890; and the exports from 59,000 dol. in 1881 to 16,004,000 dol. in 1890.

Port of Bahia Blanca.

Bahia Blanca port, in the south of the province of Buenos Ayres, shows a rapid growth since 1882, the value of the imports having increased from 366,000 dol. to 3,500,000 dol., and that of the exports from 2,000 dol. only to 3,000,000 dol. in the period 1882 to 1890.

Port of La Plata.

In 1886 La Plata only imported goods to a value of 108,000 dol., but reached 3,000,000 dol. in 1890; it only exported to a value of 71,000 dol. in 1887, but reached over 1,000,000 dol. in 1890. Statistics give the following particulars for the shipping at that port from 1886 to 1892.

RETURN of Shipping Entries at the Port of La Plata for the Years 1886–92.

Year.	Exterior.			Interior.		
	Sailing.	Steam.	Total.	Sailing.	Steam.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1886	18,000	1,000	19,000	8,000	...	8,000
1889	191,000	16,000	207,000	301,000	...	301,000
1890	119,000	74,000	194,000	74,000	11,000	85,000
1891	73,000	36,000	110,000	91,000	33,000	125,000
1892—						
1st quarter ...	6,000	50,000	56,000	12,000	3,000	48,000
2nd quarter ...	24,000	98,000	122,000	30,000	6,000	36,000

The year 1892 shows for the first six months a great expansion in shipping, especially for steamers, and is partly to be accounted for by the decree requiring all steamers which cannot enter the port of Buenos Ayres to discharge cargo in the port of La Plata.

Port of Paraná.

The port of Paraná shows a considerable increase of trade as regards exports since 1881, but imports, after rising largely in 1889, fell again to their former level.

General remarks.

Comparing the years 1889 and 1890 there is a considerable decrease both for imports and exports at Buenos Ayres; but at Rosario, though imports have decreased, exports increased, due to large shipments of cereals.

Advantages of flying Argentine flag.

The number of vessels under the Argentine flag are steadily increasing. The Argentine Government has favoured this change and done all it can to favour Argentine shipping. Steamers employed in local trade, including traffic to the Republic of Uruguay which formerly flew the British flag, are gradually being transferred to the Argentine flag, on account of the advantages it confers.

Great saving in expense under Argentine flag.

The expenses saved by this change of flag are considerable, and, as an example, the different rates paid by a vessel under the British and Argentine flags will be mentioned. A steamer of 1,072 tons English register would pay every time on entering the port of Buenos Ayres the following charges (*a*) under the Argentine flag, and (*b*) under the British flag or any other foreign flag:—

TABLE showing the Comparison of Cost of Ship Entering under British and Argentine Flag.

Description.	(*a*) Under Argentine flag.		(*b*) Under British flag.	
	Currency.	Sterling.	Currency.	Sterling.
	Dol. paper.*	£ *s.* *d.*	Dol. gold.	£ *s.* *d.*
Entrance	53·60	3 10 8	53·60	10 12 0
Wharfage (say 2 days)	16·32	1 1 8	16·32	3 5 0
Lights	21·44	1 8 4	21·44	4 5 0
Health dues	10·72	0 14 4	10·72	2 3 0
Total	102·08	6 15 0	102·08	20 5 0

* Exchange at the rate 15 dol. paper to the 1*l.*

Cost under British flag three times as great.

It will be noticed that, putting the 1*l.* at 15 dol. (a lower rate than it has yet reached), the cost of entering a vessel under the British flag is just three times that of one under the Argentine flag. The difference is even more than that at present, exchange being about 16 dol. to the 1*l.* sterling. Besides this, the "patente de navigacion" (license to trade) which every vessel plying on the rivers is required to take out, costs 1,080 dol. paper (67*l.* 10*s.*)

under a foreign flag, and 162 dol. (10*l.* 2*s.* 6*d.*) only a year under the Argentine flag to-day.

Under these circumstances it is no wonder that companies, with ships under British and other foreign flags, are rapidly placing them under the Argentine flag from motives of economy and policy. Transfer of British ships to Argentine flag.

Railways.

This subject has been dealt with in previous reports, and a brief statement only of their extent and condition in 1887, 1891, and in 1892 will be given as gathered from the latest official reports on the subject.

It appears that, with the exception of a few great trunk lines, such as the Southern and Western Railways, all lines are now only earning small sums (if not actually losing money). With these facts before the public it is unlikely that further foreign capital will be invested here in such undertakings. Even the works on guaranteed lines in construction are paralysed, the persons to whom the concessions were given being unable to find the necessary capital. Earnings small for most lines. Lines in construction.

There are at present 12,281 kiloms.* of railway in working order, 11,260 kiloms. in concessions with guarantee, and 5,175 kiloms. without. Of lines now working there are 3½ kiloms. to every 1,000 inhabitants, a figure which is only exceeded by the United States with 5 kiloms. per 1,000. The average in Europe is ½ a kilom., and few countries exceed 1 kilom. per 1,000. Taking into account all railways working and conceded there are 8 kiloms. per 1,000 inhabitants. 12,281 kiloms. open for traffic; over 16,000 kiloms. in concessions. Kilometers per inhabitant.

Railway Traffic in last Five Years.

Year.	Number of Kilometers.*	Number of Travellers.	Number of tons of cargo.	Number of kilometers traversed in millions.
1887	6,668	7,971,820	3,433,746	175
1888	7,255	9,681,233	3,937,534	205
1889	8,113	11,103,988	6,643,381	301
1890	9,254	10,069,608	5,420,781	345
1891	11,700	10,820,002	4,620,972	352

From 1887 to 1891 the increase of length of lines was about 75 per cent., whereas the increase of passengers was only 36 per cent., and cargo 34 per cent. Since 1890 both passengers and cargo greatly diminished, though the distances run were much greater. Comparing the capital of Argentine railways, their earnings, and net profits we find the following results:— Increase of lines and decrease of traffic.

* 1 kilom. = 0·62138 mile.

TABLE showing Capital and Earnings of Argentine Railways for the Years 1887–91.

Years.	In 1,000*l.*		
	Capital.	Earnings.	Net Profits.
	£	£	£
1887	40,710	3,276	1,461
1888	43,592	3,580	1,484
1889	49,584	3,885	1,193
1890	68,748	3,305	1,074
1891	74,710	2,983	943

Capital increased 80 per cent., profits fell 35 per cent.

In five years the capital increased 80 per cent., but the earnings diminished 9 per cent., and the net profits 35 per cent. In 1891 the net profit was only 1¼ per cent. on the capital invested.

Government recommended to cancel concessions where contract not fulfilled. Highest earnings in 1891.

The traffic on Argentine railways is far below that of Russian and Spanish railways. With a population of 4,000,000, at most, the Argentine Republic has conceded over 28,000 kiloms. of railways. The National Board of Inspection of Railways strongly recommends the Government not to accord longer delays to those persons holding concessions, and who have not fulfilled their conditions.

In 1891 the best earnings were obtained by the Great Southern Railway, with 4 per cent. on capital; the Western next with 3 per cent.; Buenos Ayres and Rosario and Ensenada lines, with 2½ per cent. each; and the Central Argentine, with ¾ per cent. only. All the other lines show, collectively, a loss of some 30,000*l.* 13 lines out of 27 were running at a loss, and yet at the end of 1891 some 1,520 miles of line were under construction. Nearly 90 per cent. of Argentine railways belong to English companies. State railways, national and provincial, only represent about 10,000,000*l.*

13 out of 27 lines running at a loss.

1892 returns.

The returns of most of the railways this year seem greatly improving and working expenses have been greatly reduced.

STATE of Labour.

Education.

Argentine Government regulates education.

The national Constitution sanctions Government interference in schools and education. It insists on the provinces giving primary, that is elementary, education to their populations, and Congress is empowered to regulate and direct all educational matters.

Three classes of schools:

Of the three classes of schools, primary, secondary, and

superior, the first only has a regular grant, the other two depending on Government Budgets and, perhaps, a few pupils' fees. The Universities have some independence, but the secondary schools are entirely subject to the Government authorities, who often modify their form according to necessity. primary, secondary, and superior. How supported.

Primary education in the capital and in the national territories is regulated by a Law of 1884 placing it under the supervision of the National Council of Education, helped by the local school councils. This Law established free primary education for children from 6 years to 14 years of age, and their attendance was made obligatory. The object of these schools is to give all classes a plain, useful education, and to train them intellectually and physically. In each school there are six progressive classes, the lowest comprising, reading, writing, Spanish, arithmetic, drawing, school songs, gymnastics, &c., and the highest including natural sciences, geometry, French, and elements of physics and chemistry. Primary schools, 1884 law. Free primary education by State. Subjects taught.

The regular grant to schools of this class is rarely paid up to date, and hence the great difficulty in paying the schoolmaster and others, in spite of the law which satisfactorily regulates their payment. With this exception, in spite of the crisis, the National Council of Education has managed to pay its way, and has not mortgaged any of its many properties, and for this it takes great credit to itself. That council is now considering the advisability of teaching manual occupations in the schools, and of establishing school savings banks. Difficulty in paying masters punctually. Financial state. Advisability of teaching manual occupations.

The provinces all partly support the primary schools out of their own revenues, aided by a large subsidy, which is usually twice the amount of the provincial revenue expended on education, These subsidies are supposed to be granted proportionally to the revenue which each province spends on its primary schools. But this part of the law is not strictly carried out, the Council of Education distributing these subsidies rather where they are needed to absolutely maintain and uphold schools already existing and likely to deteriorate or be abolished from want of funds. The provincial laws on education are much the same as those of the National Government. The late financial crisis having stopped or diminished the national subsidies to the provinces for education, many of the latter are in great difficulty as regards funds with which to maintain their primary schools. Primary education in provinces. National subsidies to them. Financial state in provinces.

In 1891 there were 2,381 such schools in the Republic, of which the province of Buenos Ayres possessed 816, excluding the federal capital of Buenos Ayres. The province of Santa Fé stands next with 280 primary schools. The number of pupils attending all these 2,381 schools was over 200,000, at an average yearly cost of over 32 dol. (nearly 2*l.*) a head at the present exchange in 1892. The yearly cost to the Republic is some 6,600,000 dol., or about 400,000*l.* Primary schools, statistics. Yearly cost of primary schools to State, 400,000*l.*

Statistics for the capital of Buenos Ayres for the last five years show a slight decrease in the number of schools from 136 in 1889 to 130 in 1891; in the number of masters and mistresses Schools in capital.

from 851 to 835; but in the number of pupils an increase of nearly 10,000 in that same period.

Secondary education statistics.

Secondary education is given in the national colleges, of which there are 16 in the Republic, the earliest having been founded in 1863, and the latest a few years ago at La Plata and Paraná.

Cost per head.

The pupils in these colleges amounted to 3,295 in 1891, and cost, on an average, 17 dol. (or 21*s.* 6*d.*) a head.

Attendance small.

The cost of these colleges in some of the provinces is very great on account of the small numbers of pupils attneding, making the cost per head exceedingly high.

Proposal to devote their funds to agricultural and other schools.

It has been suggested that the funds spent on them might be better employed in founding local schools of agriculture, commerce, and handicrafts. This has not been done so far, but, as will be seen at the end of this article on education, the establishment of such schools is being carried out with independent funds.

Subjects taught.

The course of study here lasts five years, and comprises Spanish, history, geography, arithmetic, French, drawing, algebra, geometry, physics, chemistry, Latin, German, English, trigonometry, natural history, philosophy, outlines of law and political economy, history of America, &c.

Superior education.

Superior education is afforded by the faculties of medicine, engineering, and law and sciences in the two Universities of Cordova and Buenos Ayres. In the law branch are included civil law, public, private, and international law, Roman law, penal law, commercial law, constitutional law, political economy, and finance.

The faculty of medicine teaches descriptive anatomy, human physiology, general pathology, and other usual subjects. In the engineering branch are taught higher algebra, trigonometry, differential and integral calculus, and other useful subjects.

Yearly cost of the two universities.

The yearly cost of these two universities is some 416,000 dol. (about 25,000*l.* to-day). The total number of pupils in 1891 was nearly 900, of which 780 belonged to the Buenos Ayres University. The cost to the State, therefore, of each pupil at the Cordova University is particularly high.

General remarks.

Adult and night-classes are almost unknown in any of the schools for any branch of education, and not at all for the working classes. The teachers are mostly Argentine; many foreigners are, however, found in the higher branches. Schoolmistresses from the United States are frequently employed. There are also some private schools, and others supported by the Catholic Church. Some municipalities support schools.

Educational system based on that of United States.

There are many Government regulations as to education, based mostly on the system of the United States, and adapted to the requirements of this country.

Normal schools.

There are also normal schools for the education of persons desiring to become schoolmasters and schoolmistresses in Buenos Ayres city and in the provinces.

Miscellaneous schools.

A few schools of engineering exist, and in Buenos Ayres there is a school of arts and trades maintained by the Silesian fathers; a military college; a school of music and declamation, kept up by the nation; and a school of

fine arts, founded by a private association, where artistic instruction is given free to those who ask for it.

Public libraries.

In the capital of Buenos Ayres there are four important libraries, the National Library and three others, supported by private associations. Statistics show that in the years 1887 to 1891, though the number of works consulted increased 70 per cent., the number of persons using those libraries had diminished 84 per cent. The books read were principally novels, histories coming next, and then sciences.

Books read, chiefly novels.

Agricultural and commercial schools.

The advisability of establishing agricultural and commercial schools in this Republic is quite a recent proposition. The great development in late years of the agricultural portions of this country has brought forward very prominently the question of agricultural schools, which has now resulted in definite Government proposals for their establishment.

In the provinces.

In the province of Entre Rios industrial and agricultural schools have just been opened.

In province of Santa Fé.

In the province of Santa Fé, where agricultural schools might with advantage be established, seeing that its chief riches are derived from agriculture, there are none.

Proposals before Congress for agricultural schools.

Grant of 12,500*l.* asked for to establish these agricultural schools.

There are now definite proposals before the National Congress for the establishment of practical schools of agriculture in the provinces of Buenos Ayres, Santa Fé, Entre Rios, and Corrientes. Briefly, the proposal is to devote 200,000 dol. (about 12,500*l.* to-day) for this purpose, the nation giving suitable land for the necessary buildings where it possesses such, and, if not, the requisite land to be given by the respective provinces.

Advantage of agricultural schools.

This proposal is highly commendable, and, it is to be hoped, will pass into law. Considering the very large number of children and others who will take to agricultural pursuits, and in the interests of the country at large, a practical education of this kind will greatly benefit the Argentine Republic. Hitherto this country has not attempted any practical education for agriculture, commerce, trades, or industries. This new departure is a step in the right direction. In a similar proposal before the Congress of the province of Buenos Ayres schools for learning a practical knowledge of cattle and sheep-farming are included—a measure of great importance to the essentially stock-raising province.

Province of Buenos Ayres. Practical schools for learning cattle and sheep farming.

National commercial school.

A national commercial school has lately been established in Buenos Ayres city by the Argentine Government, with what result remains to be seen.

Deaf and dumb.

There is in this Republic no national institute for the deaf and dumb, and its necessity is imperative in this country, where deaf mutes average 350 in every 100,000 inhabitants, an average six times higher than in Europe. Its cause may possibly be found in the frequent inter-marriage of persons closely related.

General Condition of the Working Classes.

General condition of working classes.

A few years ago labour of every description in this country was well paid, and immigrants of all nationalities, attracted by

Formerly labour well paid.

the high wages, flocked out here in thousands and thousands to better themselves.

After 1889 great change.

In those years it was worth while to do so, many amassing small competencies in a few years' time. But after the end of the year 1889 a great change took place. Gold, which in 1884 had been at par, had gradually acquired a premium as against the paper currency, rising to 50 per cent. in 1888, and to 80 per cent. in 1889. But paper being the medium of exchange in which all payments were made (except when specially stipulated to be payable in gold), wages were still in 1889 paid the same number of dollars as in former years, and these being reduced to a gold value were, consequently, worth in 1889 nearly one-half less than they were before. This made a vast difference to the amount saved by immigrants when converted into gold for their return home, and indeed also to their expenses in this country, in so far as their wages were expended in foreign imports which had to be paid for in gold. The fall of wages in gold did not greatly affect persons making this country their home, or those permanently living here, except again as regards the purchase of imported articles. The effect to these latter, having no savings to convert or remit, was not so important.

Wages, on gold basis, much less.

Savings reduced when converted to gold.

Depreciation of paper affects residents and temporary immigrants differently.

1890 : Gold premium 270 per cent.

In 1890 the gold premium reached 150 per cent., and in 1891 an average of 270 per cent., the result being disastrous to earners of wages of all classes, but more especially to those contemplating a return to their native lands.

Lowest wages in 1891.

On a gold basis wages fell rapidly to a culminating point in 1891. In that year, however, wages rose slightly in the number of paper dollars paid, but certainly not more than 25 per cent., if that, over wages of former years.

Difference in wages, 1888 and 1891.

The following table shows the enormous difference of wages in gold in 1888 and 1891. Wages per month include board and lodging; those per day do not. The wages given in 1888 are those quoted in the Argentine Emigrant's Manual of 1888 and issued in Europe :—

Wages in 1888 and 1891 Compared.

Class of Labour.	1888				1891.				1892.
	Per Month.		Per Diem.		Per Month.		Per Diem.		
	From—	To—	From—	To—	From—	To—	From—	To—	
	£ s. d.	£ s. d.	s. d.	s. d.	£ s. d.	£ s. d.	s. d.	s. d.	
Agricultural labourers	3 15 0	4 3 0	..	..	1 0 0	1 10 0	..	2 0	Wages about 25 per cent. higher than in 1891 in gold equivalent
Bakers	6 0 0	7 0 0	..	..	1 10 0	2 10 0	2 0	3 0	
Carpenters	..	..	8 4	16 8	..	..	2 0	3 6	
Cooks, female	3 15 0	4 3 0	..	..	1 10 0	2 15 0	..	..	
,, male	6 5 0	10 8 0	..	..	3 10 0	4 0 0	..	..	
Engine drivers	6 0 0	10 0 0	..	..	5 0 0	7 0 0	..	..	
Gardeners	10 0 0	16 0 0	..	..	1 10 0	5 0 0	..	..	
Labourers (peones)	6 0 0	8 0 0	..	..	0 15 0	1 5 0	..	..	
Married couples, agriculturists	7 0 0	10 0 0	..	..	3 10 0	4 10 0	..	..	
Miners	8 0 0	10 0 0	..	..	..	..	3 0	7 0	
Smiths	..	..	8 4	16 8	..	..	2 6	3 0	
Tanners, curriers	3 15 0	6 5 0	..	..	1 15 0	2 10 0	..	..	
Washerwomen	3 0 0	5 0 0	..	..	..	..	..	2 0	

Fall of wages.

In some instances wages have fallen three-fourths, and in nearly all two-thirds at least.

Wages in 1891 compare unfavourably with English wages.

Wages in the Argentine Republic in 1891 were probably lower than in any country in the world, and certainly compared most unfavourably with those earned in England. Hence the folly of immigrants leaving Europe, the last three years or so, merely to earn wages here. Before the great change in 1889 it was different. The times were prosperous, and all labour was extravagantly paid, probably exceeding in its lavishness wages ever paid in any other part of the world, so that within a few years two extremes have been reached. The tendency in the next few years will, with an improving condition of this country, be for general wages to rise steadily, and in time to attain a fairly remunerative height; and this will take place for two reasons:—

Folly of immigration to earn wages now.

In 1889, wages extravagant.

Two extremes.

Steady slow rise of wages from now onwards.

1. The gradual fall in gold premium;

2. The nominal number of dollars remaining more or less the same.

Increased cost of living.

Wages having once risen to a certain sum in paper currency (the national medium of exchange) they do not readily decline again. But, on the other hand, prices of provisions, &c., will also probably remain at the same figure, and be more expensive than before. All prices having risen, and being likely to remain at about the same figure, the cost of all living in gold will gradually rise and be far dearer. This heightened cost of living will, naturally, also affect the labouring classes. But no doubt the high wages will more than compensate for that, as actual food in itself is cheap as compared with other countries.

Argentine pamphlets misled immigrants.

Intending immigrants should know gold value of paper dollars.

In late years the wages given in dollars in the pamphlets of emigration agents in Europe have misled those intending to emigrate, being, in fact, high in paper dollars, but in reality low in gold. And the emigrant should, before emigrating, always ascertain the gold value of wages in a country where paper is the current and legal medium of exchange, as its value is continually fluctuating.

The foregoing remarks do not, of course, apply to any persons contracting for special work in this country in gold wages.

Inadvisable still to emigrate merely to earn wages.

After carefully considering the value of wages in this Republic, though they are somewhat higher this year owing to the premium on gold having fallen to some 230 per cent. only, it still seems to be most inadvisable for any emigrants to leave Europe for this country merely to earn wages. The low rates still prevailing this year may be accurately seen from the foregoing table of wages in 1891. The wages there quoted in gold are to-day not quite 25 per cent. higher than last year, so that agricultural labourers would now earn from 1*l.* 4*s.* to 1*l.* 16*s.* a month, with board and lodging, and day labourers from 19*s.* to 30*s.* a month in the country. Such remuneration speaks for itself, and hardly needs anyone to discourage its acceptance.

Average wages.

Cost of food.

As regards food, the actual necessities of consumption are not dear, excluding, of course, foreign products. Meat is very

cheap, but is said to be not so nourishing as at home, and more is, therefore, consumed. Beef can be bought at $2\frac{3}{4}d.$ a kilo. in the towns and at $1\frac{1}{2}d.$ a kilo. in the country.

TABLE showing Cost of Provisions in the Provinces.

Articles.		Price.
		s. *d.*
Beef	Per kilo.* ..	0 1½
Bread and biscuits	„ ..	0 3⅜
Rice	„ ..	0 7½
Coffee	„ ..	2 6
Sugar	„ ..	0 8½
Eggs	Per dozen ..	0 4½
Potatoes	Per kilo. ..	0 2½
Butter	„ ..	2 2
Milk	Per litre† ..	0 3¾
Rice	Per kilo. ..	0 8
Yerba maté	„ ..	0 11
Vermicelli	„ ..	0 6¼
Vegetables	..	Fairly cheap

* 1 kilo. = about 2 lbs. † litre = 0·22 gallon.

All imported wines, spirits, and beer are enormously dear on account of the heavy gold duties. Native wines and beer are fairly good, but dear also, though cheaper than the imported articles. Spirits and tobacco locally produced are cheap and bad.

Wines, spirits, beer, exceedingly dear if good.

A great change has lately taken place in the class of labour required in the Argentine Republic. Formerly every sort of labour was in great demand—domestic servants, artisans, workmen for every kind of industry, and agricultural labourers; but, owing to the financial and economic crisis in 1890, a great restriction took place in every branch of labour. The production of luxuries practically ceased; necessities only continued to be supplied by labour. The strictest economy came to be practised in every public and private enterprise. All existing establishments, public and private, were reduced as far as possible; and numbers of persons were dismissed from both, thus bringing great distress upon the working classes. These found themselves without either employment or any prospect of obtaining any in the future. Those who were able and had savings (mostly the Italians) left the country; those who had not saved (among whom, unfortunately, were most of the British workmen) were unable to leave. Public and private charity, however, helped many foreigners of all nationalities to return to Europe, public companies and large establishments often paying the passages home of their dismissed employés. The great distress of 1890 lasted until the latter part of 1891, when the great temporary demand for hands for harvesting in the agricultural portions of the Republic, chiefly the province of Santa Fé, and for shearing

Change in class of labour required.

1890 crisis.

Reduction in production of luxuries.

Dismissal of workmen of all classes.

Italians left the country.

Many helped to return to Europe.

1890 distress.

on the sheep farms, chiefly in Buenos Ayres province, lightened the distress. Good wages, much above the ordinary rate, were then offered, the demand for agricultural labourers and shearers being for a short time in excess of the supply. But it should be noted that the bulk of the distressed labouring classes were not able or desirous of taking to country pursuits, being used to a town life and its occupations. The thousands without employment consisted almost entirely of persons dismissed from railways, large public works, industries, and trades of all sorts, shop employés, &c. Many of these did not seek labour in the country in farming or stock raising, where labour was not nearly as remunerative as in their former occupations and trades. They preferred to leave the country when their employment in the towns was taken from them. Numbers of these working classes had in the few previous prosperous years saved money, often a great deal; they returned to Europe, usually paying their own way, and having savings in hand. Of course amongst them were to be found many worthless individuals, who manage to thrive in every large prosperous town in years of plenty and lavish expenditure. The year 1890 effected a complete change in the nature of the labour in the towns. All speculation having ceased, personal credit being almost a thing of the past, cash transactions having replaced abnormal credits, lavish luxury having been replaced by strict economy, the minimum of labour only was required sufficient to produce the necessities of life for the ordinary standard of comfort.

Bulk of distressed classes would not take up country pursuits. Their former employments.

Many left for Europe.

Paid their own way, chiefly.

Change in nature of own labour.

Dr. Alsina, Director-General of Immigration, in his report for last year, considers that wages, even in the country, permit of considerable savings. But if one considers the wages before mentioned for 1891, and even for 1892 at a slightly higher rate, it does not seem to me possible for the ordinary immigrant to save even a little. The Italian will certainly save something, the Englishman nothing, and other foreigners perhaps a little; but the Italian will save it only by leading a life of such dire economy, of which he alone is capable.

Argentines think present wages allow of savings.

Saving power of Italians, British, and others.

Domestic servants are on rather a different footing to most labour. In this country there is a great dearth of good servants, and even the bad ones are fairly well paid to-day. Formerly they obtained quite fancy wages. Good domestic servants can easily find employment here, especially cooks. The wages run about as follows for average servants, and are rising:—

Domestic servants.

TABLE showing Wages per Month of Domestic Servants.*

Class.	Currency.		Sterling.	
	From—	To—	From—	To—
	Paper Dols.	Paper Dols.	£ s. d.	£ s. d.
Cooks	35	60	2 4 0	3 16 0
House and parlour maid	25	40	1 11 0	2 10 0
Housemaid	20	35	1 6 0	2 4 0
General servants ..	24	35	1 10 0	2 4 0
Coachmen	60	..	3 16 0	..
Men servants	40	70	2 10 0	4 8 0
Married couples ..	55	85	3 9 0	5 6 0

NOTE.—Exchange in 1892 about 16 dol. to 1*l.*

Current wages in the country.

Generally speaking, the current wages for agricultural and ordinary labourers is only from 20 dol. to 32 dol. (1*l.* 6*s.* to 2*l.*); but, with shelter in a hut, and certain rations to the value of about 6 dol. 50 c. (8*s.*) a month, their wages amount, rent free, to about 2*l.* 4*s.* to 2*l.* 8*s.* a month only, or under 1*s.* 8*d.* a day.

Excessive cost of tools, clothes, &c.

These wages, considering the excessive cost of clothes, tools, and all other imported articles do not seem attractive. In many places full board is given with the above wages, thus making the value slightly higher.

Wages in trades.

The wages in trades are equally unsatisfactory. Carpenters and painters only earn from 3*s.* 6*d.* to 5*s.* a day in towns, and often less; blacksmiths and boilersmiths, 4*s.* to 6*s.*; day labourers, 2*s.* to 3*s.* a day. On the railways wages are better, porters obtaining 2*l.* 10*s.* to 3*l.*, telegraph clerks, 3*l.* to 4*l.*; signalmen, 5*l.* to 7*l.* a month. But most of the more highly paid classes require great skill and experience; and such persons are always better paid especially out here where skilled labour is not plentiful.

No injurious forms of labour.

It may be said that in the Argentine Republic there are no forms of labour injurious to a man's health, and the climate is good. An immigrant's chief difficulty is to adapt himself to the food of the country where meat is more eaten than bread, and vegetables. All those arriving here have to submit to the change, and eventually they thrive on it.

Statistics of labour office.

The Argentine Labour Office in Buenos Ayres for 1891 shows that the supply of labour was not nearly equal to the demand. But that was probably due to the wages and terms offered by employers being too low or unsatisfactory. Still if those returns be correct, there should not have been as many persons unable to find employment as there undoubtedly were. It is shown there

* Governesses, who formerly earned splendid salaries, now get but little. For other wages of labouring classes, see table in my former report (Miscellaneous Series No. 216), adding, of course, about 25 per cent. for their increased gold value this year.

that the supply of agricultural labourers was only equal to half the demand, and the same with agricultural families.

Good prospects for agricultural immigrants with small capitals.

As pointed out in my report on immigration, the only good prospects for immigrants at present are in small agricultural farms, for the establishment of which a small capital is absolutely necessary. Even 100*l.* would go a long way; and two or three persons with 50*l.* each could make a very fair start in the province of Santa Fé. There farm lots can be bought for 650 dol., or about 40*l.* to-day (about 9*s.* 9*d.* an acre). For details see that report, Miscellaneous Series, No. 216. The expenses of farming an acre of land for wheat in 1891 are also to be found there: one-fourth more should be added to each item to allow for the greater value of the paper dollar this year. The profits are large in good seasons. The average price of land of the best kind is 1*l.* 16*s.* to 2*l.* 8*s.* an acre to-day, in 1892, or what it will yield in profit in a good average wheat year.

Prices of land.

Employment of children unusual.

As a rule children are not employed in work, and consequently there is no legislation with regard to them. In the country they are employed on farms to look after cattle and sheep, and in the provinces of Mendoza and Rioja for grape gathering. Children of 12 years and upwards are often employed as assistant servants, obtaining board and lodging and 4 dol. to 8 dol. (5*s.* to 10*s.*) a month. There are now a few industries, such as match factories, &c., where they are employed; but this is quite a new departure.

Strikes.

The only recent strikes were on two railways, but being of no importance were settled at once. In the city of Buenos Ayres there have occasionally been a few small and unimportant strikes, such as the recent strike of bootmakers and of makers of "Alpargatas" (canvas shoes) against a reduction of wages. Organised strikes, as known in Europe, have never occurred here.

General material condition of the working classes.

To arrive at a proper appreciation of the material condition of the working classes, it is necessary to divide them into two categories:—

1. Those working in the rural portions of this country.
2. The working classes in towns.

It would be unfair to a new country, like the Argentine Republic, to take up any extreme view even as to the above subdivisions basing one's judgment on the actual abnormal condition of things, with the heavy gold premium raising the cost of all imported articles, and, unfortunately also, the prices of those native productions which can compete with foreign imports, for which there is no compensation in the paper earnings of the working class. This is not so severely felt in the country districts as in the towns. The working man in the country has, as a rule, no rent to pay; he gets his meat for next to nothing, his clothes are few, and are not often renewed. His habitual life of seclusion far from the influence of civilised attractions and surroundings of populous districts, allows him, without any apparent sacrifice, to dispense with many articles generally con-

sidered necessities, such as bread, sugar, butter, wine, beer, not to mention his sundry minor wants on which he will spend far less than the town labourer. The latter, especially in the city of Buenos Ayres, has to put his wife and children in dirty quarters, and yet he will find that lately his rent in paper dollars has slightly increased, whereas his earnings are stationary; his meat and bread, although not imported, will also have apparently tried to keep up a relative pace with the gold premium.

Material condition of the working classes in the provinces.

From information collected from various provinces and large towns, it appears that at the present time the material condition of all the working classes is not satisfactory. Since the end of 1890 the supply of labour, especially in the towns, has been in excess of the demand. Consequently, though the gold premium has since that year greatly risen, wages in paper have remained stationary while the price of food generally has risen somewhat and, for some articles, a good deal. Meat, for instance, is in towns a good deal dearer than it should be considering the cheapness of cattle and sheep. Foreigners are worse off than natives as they require and buy more foreign imports. It is hoped that the gold premium will go on steadily declining as it has done since the end of 1891, making the paper dollar worth more and more every day, thereby benefiting the working classes and enabling them to buy imported articles more cheaply. But it is to be feared that rents, and many articles of food will never fall to their former rates. So that unless wages in paper dollars increase greatly or the gold premium falls rapidly in the next few years there is not much prospect of improvement in the material condition of the working classes.

Workmen's leagues.

In the province of Buenos Ayres the only workmen's leagues are those of the engine-drivers of the English railway companies. These have a peculiar object, which is to bring pressure to bear on the Government authorities for a quick trial of engine-drivers and others in cases of accidents on the line, as, for instance, an engine running over a person, or of collisions.

In the province of Mendoza there are trades unions on the railway started by Italians and Spaniards, but they have hardly any power.

In the province of Entre Rios, Italian workmen have their associations but they have no power, and are merely charitable institutions.

In Buenos Ayres there are numbers of Italian societies of all kinds, and some of other nationalities. There are also some Argentine societies of employés. Some of these were established to look after workmen's interests. Most of them are only charitable institutions, and mutual aid societies.

Foreign labour welcomed. Position of foreigners generally.

So long as foreigners keep from politics, no local antipathy is shown them. On the contrary, foreign labour is welcomed so long as the foreigner avoids seeking Government or municipal posts. The Argentines may, at times, have a feeling of jealousy, but at heart they are glad to welcome foreign labour as they recognise the indirect benefits which it confers on them. The

Antipathy to Neapolitan labourers.

only prejudice against any particular nationality is against the Neapolitan labourer (as opposed to the rest of the Italians) who is unsatisfactory in some ways and comes here to work for a time only. He spends little, and invests no money in this country. Other Italians settle here and acquire properties.

Complete liberty of labour.

In the Argentine Republic there is complete liberty as regards labour. Any one is free to move about as he thinks fit, seeking, wherever it may be found, such labour as suits him best. The extensive network of railways enables labourers to travel easily, and fairly cheaply, to any province where its peculiar industries may require a great number of labourers for a short season, when very high wages are offered.

The demand for day labourers naturally greatly increases at certain seasons of the year in the different provinces for the various industries in each, such as the harvest time in the provinces of Santa Fé and Entre Rios, the sugar season in the province of Tucuman, and the vintage time in the provinces of Mendoza, Rioja, and San Juan.

Provinces of Santa Fé and Buenos Ayres probably chief fields for future immigrants.

The state of labour in the two provinces of Buenos Ayres and Santa Fé will now be discussed more particularly, as they absorb a great portion of the European immigrants and form (including the federal capital of Buenos Ayres) nearly half of the total population of the Republic, being about 1,600,000 persons. The former is the great cattle and sheep farming province, the latter the agricultural province of this country. As it is in these two provinces, probably, that the immigrant of the future will chiefly settle, it is interesting to further investigate their local conditions of labour, and to see what prospects there may be for future population.

Province of Buenos Ayres—Cattle and sheep farming.

Chief employments.

In the province of Buenos Ayres labour is principally employed in stock-raising, *i.e.*, in cattle and sheep farming. Agriculture is still insignificant in comparison, though having greatly developed in recent years. Wheat and maize growing and market gardening are the chief agricultural occupations, and require more hands every year. Industries are the least important.

Native and foreign labour compared.

Foreign labour competes successfully with native labour, for, as a whole, the latter is of an inferior category, and consists mainly of unskilled labour. Foreign workmen are often superior and supply most of the skilled labour required. Native and foreign labour take different directions. Generally speaking, it may be said that, amongst the lower classes, stock-raising is in the hands of the natives, whereas agriculture and industries are in the hands of foreign labourers. Taking these lower classes, cattle farming (as opposed to sheep farming) is almost exclusively in native hands. Sheep farming, however, is often undertaken by foreigners, the Irish and Scotch being prominent in this respect, either owning flocks themselves or on shares with the owners of the land. In cattle working the native is more skilful with

Agriculture and industries in foreign hands, stock-raising in native.

local implements and with the lasso; and, in outside districts where cattle farming is carried on in the old-fashioned criollo methods, he is unique. Owing to the persevering habits of foreigners in sheep farming of the modern style (where flocks are divided, rams periodically put in, and the wool properly classified), the native is not so successful here as in cattle-raising. In agriculture and industries native labour is far from efficient. Their knowledge, especially of agriculture, is primitive and limited.

Native labourers deficient in knowledge of agriculture.

Of the landed proprietors by far the greater part of the province is owned by Argentines; but foreigners hold a vast portion, and are yearly acquiring more lands. The British landowners are well to the front Germans have recently been adding considerably to their possessions.

Landed proprietors.

In wheat and maize growing and market-gardening the Italian, Spanish, and French labourers, especially the Italians, show up to great advantage. The Italian, in every kind of rural labour, has the great advantage of living contentedly on bread and meal, a few vegetables, and little meat, of being most laborious, and of a saving disposition.

Agricultural labourers. Italian the best.

The provincial wages of all labour have hardly been affected by the rise and fall of the gold premium. In 1882 the wages of native labour varied from 15 dol. (18*s.*) to 30 dol. (1*l.* 16*s.*) a month, meat and yerba maté (tea) found them and free lodging. And it is only in exceptional cases of employment on foreign farms (estancias), or of close proximity to towns that wages have now been increased say to 1*l.* 8*s.* monthly to 2*l.* 8*s.* monthly.

Wages in the province.

The cost of living for the native and most foreigners is widely different. The native and Italian workmen spend little, even on necessities, other foreigners much, even on luxuries. Native labourers spend all they earn. Anything left them, after purchasing scanty clothes and a few tools, is often spent in gambling and horse racing. During shearing time they sometimes gamble away the whole of their earnings and even some of their few clothes as well. A native's tools cost little as his sheath knife is used for every purpose, including slaughtering, feeding, manufacture of saddlery, trimming horses' manes, hoofs, &c., and for self-defence. He lives on the food supplied him, chiefly meat and yerba maté (Paraguayan tea); he eats meat roughly cooked on a wood or bone fire, washed down with a quantity of maté. But foreigners, with the exception of the Italians, who live on little and badly cooked meat, maccaroni, and vegetables, have great difficulties in accustoming themselves to dispensing with properly cooked meats, bread, sugar, tea, coffee, and spirits. British labourers find it hard to minimise their expenses as do other nationalities, both with regard to necessities, and still more so as to what the native, Italian, Spanish, and French labourers would regard as luxuries.

Cost of living to natives and foreigners.

In Australia 21*s.* is often paid for every 100 sheep shorn. Here 4 dol. (5*s.*) is an average price, and means often two and a half days' work. The highest rate ever paid is only 5 dol. (6*s.* 3*d.*). It was also 4 dol. some years ago, and then represented

Wages for shearing; Australia compared.

a value of some 16*s.* in gold; a great contrast to to-day's wages. As in Australia, board and lodging is given; but that, in this country, only costs the employer some 40 c. (5*d.*) at the most, and, probably, much less. This low rate of wages gives this country considerable advantage over Australia in the cost of labour, both for sheep-shearing and all other employment of labour. This advantage will, of course, decrease as the value of the paper currency improves.

Savings out of wages; hardly possible now.

Argentine authorities maintain that it is possible to save considerably out of current wages, even in the country. But this is hardly possible, even the Italian, with all his economical habits, can to-day save but little, even in the country, and often finds it difficult to make ends meet comfortably.

Comparing savings of Englishman and other foreigners.

Italians and Spaniards save most. Where they save 50 per cent., Frenchmen and Germans would only save 20 per cent. and British labourers none. The latter will barely pay his own way, and being unable to adapt himself spends a good deal in food and little luxuries. He always expects a higher standard of comfort than the others do, even after becoming acclimatised and after having overcome his many prejudices as to food, lodging, clothing, habits, and a new language. He has also far less facility for acquiring Spanish than any other nationality.

Local industries.

In recent years local industries have made a marked advance, principally in or near the towns. Some of the following are on a large scale, and established with British or French capital; the paper factory at Zarate being the only one of importance started with native capital. A wax match factory and biscuit factory are being started with partly Argentine capital. The others are large breweries (supplying light beer more suited to the climate than the imported article). The Highland Scot Canning Company, electric light material factory, and cheese factories. These are of recent creation. There are many more in the city of Buenos Ayres, such as sack factories, blanket and boot factories, and distilleries.

Industries which may be further developed.

Much attention has been drawn to various local industries which might profitably be extended while protected by the present heavy gold duties: namely, the production of rice, better tobacco, sacking, paper, salt, lime, chinaware, casks, and woven fabrics. There are many fibrous plants in the Republic which might be advantageously employed in the manufacture of ropes and rough fabrics for sacks, &c.

Insurance against accidents.

Statistics as to accidents in factories, &c., do not exist for the province. A local insurance company against accidents has met with fair success in getting railway companies and British factories to deduct a small portion of workmen's wages to cover insurance.

Argentine and foreign administration of industries.

Argentines show a good deal of initiative in starting industries. They often obtain concessions from the Government, which they then sell with a profit to British capitalists. Experience has shown that many industries, left in Argentine hands, are often financially a failure for want of careful administration and of proper attention and economy in the working expenses. In foreign

hands they are successful. Many industries are owned by Italians and Spaniards. The large breweries above-mentioned are owned by French, Belgian, and English capitalists.

Demand created for labour by industries, &c.

Foreign skilled labour is and will be in demand for these developing industries. The Italian immigrant will supply the unskilled labour from their facility of adapting themselves to any class of work, which the British immigrant cannot accomplish.

By large works.

At the present time in this province there is little going on. All works have been stopped since 1889, except the construction of a few railway branches of the Southern Railway. There is some idea of beginning a new railway from La Plata to various points along the coast, which will again create a demand for foreign labour, although to nothing like the same extent as when, a few years ago, the Government was spending large sums on port works, Government offices, and buildings, &c.

Natives and foreigners in trade.

Local and foreign trade is chiefly in the hands of foreigners. Argentines, who are not in Government or municipal employment, generally take up legal or medical professions in the towns and cattle-farming in the country. Few are merchants, if they can find other occupations. They have latterly devoted themselves more to supplying good meat to large markets.

Clerks in commercial houses.

In commercial houses all nationalities are largely employed. Germans, Belgians, French, and Italians are especially in demand, on account of the facility with which they acquire foreign languages, and of their conversational knowledge of the same. The British clerk has some advantage in European business houses all over the Republic, obtaining many positions of trust and others where steady, methodical work is particularly required.

Foreign clerks have always better prospects than natives in commercial houses, from the latter being so little accustomed to discipline. British clerks start and remain for some years at a great disadvantage as regards clerks of other nationalities on account of their not being able to adapt themselves readily to a new and Spanish country.

Clerks' wages and cost of living.

Clerks' wages vary from 60 dol. (3*l.* 18*s.*) a-month upwards, according to their capabilities and responsibility. Their cost of living is from 40 dol. to 100 dol. (2*l.* 10*s.* to 7*l.*) per month. Living on 40 dol. a-month would be very uncomfortable work to-day. The rise in gold premium in late years has been, perhaps, more unfavourable to clerks than to any other class, their wages being usually payable in paper dollars, which have so terribly depreciated in late years. Their wages in paper still remain much the same as formerly, their gold value being now about one-third what it was a few years ago. Many bank clerks, and some in commercial houses, are paid in gold; they are well off, as their salaries are worth far more to them than before, each sovereign buying such a much larger number of paper dollars than formerly. But all clerks in the employment of the Argentine Government and Argentine commercial houses are paid in the depreciated paper currency, and are, consequently, now very badly off.

Province of Santa Fé Agricultural Farming.

Agricultural farming, province of Santa Fé.

The province of Santa Fé is chiefly agricultural and not pastoral. Stock-raising is not so important as it was a few years ago, and hardly any foreign cattle are imported for breeding purposes except, perhaps, for dairy farming, which is, as yet, very limited, but likely to increase.

Agricultural prospects.

Agricultural products are yearly increasing in importance; and the export of cereals is rapidly extending. The agricultural prospects for this province generally are good, though the crop prospects for the 1892 harvest are not particularly promising, owing to hard frosts and a 3 months' drought, but a fairly good crop is expected. Wheat and linseed are both very backward; and locusts have already been seen in the north of the province.

Crop prospects in 1892 unpromising.

10 per cent. increase of area cultivated in 1892 over 1891.

The increase of land under cultivation is probably 10 per cent. more than last year. In the next few years there will probably be a steady development of all agriculture.

Last year's wheat crop was a plentiful one, but to know its extent is difficult, as colonists refused to sell early in the season at 11 dol. (16*s.*) a 100 kilos., and now cannot find purchasers even at 8 dol. 50 c. (10*s.* 3*d.*). They still hold some 25 per cent. of the crops. Wheat had fetched up to 12 dol. to 13 dol. a 100 kilos.

Conditions of labour.

In the province of Santa Fé labour, as elsewhere, is perfectly free for every branch of trade, commerce, agriculture, &c. There are no laws against foreigners or regulating their movements. There is no antipathy to foreign labour, and no preference for any particular nationality in skilled or other work, except a natural preference by employers for those nationalities who work the hardest. Strikes are unknown, and there are no workmen's leagues. Such societies as exist are charitable institutions, and have little power. Children are not employed much, so no legislation exists on the subject. There is no nightwork except occasionally in saw-mills, when there is pressure of work.

Local industries.

Local industries, such as flour-mills, saw-mills, oil-mills, distilleries, tanneries, iron foundries, and breweries, are increasing yearly. A continual increase of these may be expected to work up the continually increasing raw material grown in this province. Most of the owners of these mills and their workmen are foreigners; and the capital invested in them is principally foreign capital. They are all private enterprises, and the profits are probably great. The high duties charged on many imports has greatly helped to foment and develop these local industries, many of which produce articles which now compete with foreign imports, such as flour, oil, spirits, and agricultural implement. Should these duties ever be lowered or abolished, it is doubtful if all these industries would survive, for the locally manufactured article is inferior to that imported, and labour is likely to yearly become dearer. The increase of these industries, sure to take place under the present circumstances, will create a demand for skilled and therefore foreign labour. All industries, except a few new ones specially exempted, pay for licenses and taxes.

As regards wages, they may be said to be about the same as in the province of Buenos Ayres. The cost of living is also the same. Wages.

The agricultural labourer had formerly excellent prospects here. Many Italians arriving with nothing have become the owners of 400-acre farms in 10 years' or 12 years' time. Now, with low wages, such success would be difficult. But labourers, with a fair knowledge of agriculture and some 50*l.* or more, can make a good start, and, perhaps, with prosperous seasons, do well for themselves. The agricultural labourer and farmer. With small capital and requisite knowledge should succeed.

Farmers with 100*l.* or more might find excellent openings by investing in land and growing wheat or other crops.*

But it is only for such persons, and perhaps for some domestic servants, that emigration to this country can be recommended at present; and let me repeat once more that a life here implies a radical change in everything to which an Englishman is accustomed. Farming in England and farming here are two utterly different things; many difficulties of every kind have to be met and overcome; and the latest reports, diplomatic and consular, should be perused by him before deciding to risk his capital in any kind of farming in the Argentine Republic where the conditions of labour and agriculture, based to a large extent on the value of the paper currency, continually vary. Emigrant should consult latest reports on Argentine Republic.

Immigration and Emigration.

A previous report (Miscellaneous Series No. 216) has dealt fully with this subject up to the end of 1890, and partially for the first 8 months of 1891. The whole emigration to the Argentine Republic from the year 1857 onwards was there analysed in detail, both as to nationalities and the callings of each nationality arriving here. It was there shown that emigration increased steadily until 1889, the "boom" year, chiefly due, in the years 1888 to 1891, to large subsidies to immigrants granted by the Argentine nation; that in 1890 immigration decreased immensely, emigration at the same time rapidly increasing; that in 1891 the Argentine Republic lost some 27,000 persons up to August 1 by the excess of emigration over immigration; that immigration had previously exceeded emigration by 100,000 a-year at least, and by 220,260 persons in 1889. Fully dealt with from 1857 to 1890 in previous report. Summary of that report. Loss of 27,000 by emigration in first eight months of 1891.

Subsidised immigration was shown to have been a failure as regards the quality of the immigrants imported at a cost of some 800,000*l.*, or nearly 6*l.* a-head for 134,081 subsidised immigrants. Those subsidies had been abolished, except in the special case of assisting families of immigrants permanently settled in this country to join their relations already established here; and repayment of such advances having to be guaranteed both by immigrants and some other person. Failure of subsidised immigration. Subsidised passages practically abolished.

It was there estimated that the Argentine Republic would, by 1891, estimated loss of population.

* For details of prices of land, &c., see Report, Miscellaneous Series No. 216.

by the end of the year 1891, have lost 37,000 persons by the excess of the total emigration over immigration. The return of arrivals and departures, as given by the Marine Prefecture of Buenos Ayres for 1891, now tallies almost exactly with that estimate, namely, a loss of 37,728. The Immigration Department, however, in their returns, give a loss of 29,835 only, which hardly seems correct, considering that up to August 1 their own returns showed a loss of some 26,000 persons, and that it need hardly be doubted that emigration continued to exceed immigration all the rest of that year, even putting on one side the above-mentioned returns of the Marine Prefecture, where daily records are kept.

Loss 37,000 by emigration in 1891.

RETURN of the Immigration and Emigration Movement in the Year 1891.

Department.	Immigrants Direct from Abroad.	Emigrants Leaving for Abroad.	Balance.	Total Arrivals.	Total Departures.	Balance.
Marine Prefecture...	29,831	67,559	— 37,728	68,570	96,481	— 27,911
Immigration Department...	52,097	81,932	— 29,835	73,597	90,936	— 17,339

Such important differences in the returns of two Government departments make exact figures impossible to obtain.

Contract with Spain for cheap passages to Argentine Republic rescinded.

In that last report a contract of the Argentine Government with the Spanish Transatlantic Company was mentioned, by which that Company, in consideration of a subsidy of 1,000*l.* monthly, contracted to convey emigrants from Spanish ports to Buenos Ayres for 45 dol. (now about 2*l.* 15*s.*) a-head. That contract was rescinded in December, 1891, from motives of economy.

Attempt to collect old immigrants' debt to Government for subsidised passages.

Early in 1892 an advertisement was put in all newspapers by the Argentine Immigration Department warning all old immigrants who had come to this country under the assisted passages system in former years that, unless the arrears due on bills signed by them for their passage money were paid in by a certain date, judicial proceedings would be taken against all those who could be found to recover the amount. What the result has been it has been impossible to ascertain.

Emigration by free passages to Chile from Argentine Republic.

In April, 1892, an advertisement also appeared in the papers from the Chilian Legation offering free passages to Chile for healthy persons, between 20 and 40 years of age, on giving proof of their nationality and trade or occupation. A great number obtained these free passages and went to Chile.

Amalgamation of Immigration Department with Office of Colonies and Lands.

The Argentine Immigration Department, formerly independent, has recently been amalgamated with the Government Office of Colonies and Lands, now called the Office of Lands, Immigration, and Agriculture.

Former report on immigration.

With regard to my detailed report on immigration to this country and demand for labour in 1891, it should be noted that wages and the prices of land there given remain much about the

same this year, the difference being only that those wages and prices of land paid in national paper currency when reduced to gold this year are worth more than last year, owing to the premium on gold having fallen considerably from an average of nearly 300 in 1891 to about 220 in 1892, so that wages and prices of land there given are, on a gold basis, worth about one-fifth more in pounds sterling. It is not improbable that by the end of this year they will be worth fully a fourth more than given in that report; the result being that land will cost to the immigrant one quarter more, but that, on the other hand, he will earn one quarter more in wages. This difference should be remembered by those now perusing that report, and should be particularly brought to the notice of all intending emigrants to the Argentine Republic by the Emigrants' Information Office in London and by their publications.

Its wages and land prices the same in paper now, but with one-fifth more in gold.

Probable value end of 1892.

Land dearer to immigrant in 1892 than in 1891.

A brief sketch of the results of immigration and emigration in 1891 will now be given:—

Results of immigration and emigration.

RETURN of the Movement of Immigrants and Emigrants (excluding all First Class).

Year.	Immigration.*			Emigration.*	Excess of Immigration or of Emigration.*
	Direct from Abroad.	Viâ Montevideo.	Total.		
1888	130,271	25,361	155,632	16,842	+ 138,790
1889	218,744	42,165	260,909	40,649	+ 220,260
1890	77,815	32,682	110,498	82,981	+ 27,517
1891	28,266	23,831	52,097	81,932	− 29,835
1892, eight months	15,904	21,364	37,268	34,430	+ 2,838

* In the Argentine immigration returns immigrants are defined as second and third class passengers only, emigrants are the same, and include those two classes.

Here the returns of the last four years are given, and this year's as far as can be ascertained from the Argentine Immigration Office. During 1891 about as many emigrants left this country as in 1890, but the total arrivals having in the latter year fallen off about one-half, from 110,000 to 52,000, the total result is very different, 1890 showing a gain of some 27,000, and 1891 a loss of some 29,000.

Taking the immigrants direct from abroad, and the emigrants direct to Europe, the figures are as follows in 1892, excluding viâ Montevideo, for immigrants as defined by Argentine law, *i.e.*, second class and third class passengers:—

Immigrants and emigrants direct from abroad, compared.

Year.		Number.	Remarks.
1892 (first 8 months) ..	Departures ..	24,590	2nd and 3rd class
„ „ ..	Arrivals ..	15,904	„ „
Loss	..	8,686	

The total arrivals and departures for the same period stand thus, including all classes:—

Year.		Number.	Remarks.
1892 (first 8 months) ..	Arrivals ..	50,423	1st, 2nd, and 3rd class
„ „ ..	Departures ..	42,218	„ „
Gain	..	8,205	

If, however, first-class passengers are taken into consideration, the loss is not so great, there being an apparent gain of some 12,000 under this head, which Dr. Alsina, in his report for 1891, considers more than an equivalent for the loss of 29,000 by emigration, as he considers them to represent capital and labour of a much higher order.

Remarks on lost population.

Generally speaking, the Republic lost last year many good workmen, not so much those employed in agriculture or stock-raising, but in trades, and some worthless labourers of all classes.

Immigrants in 1891 and 1892 of a better class.

The immigrants during that year were, on the whole, of a far better class than formerly, being chiefly brought out by friends or relations here, and almost entirely at their own cost, the Argentine Government only helping a few with the small fund still devoted to helping deserving persons desiring to emigrate to the Argentine Republic, and who already had relations living out here, as also friends guaranteeing the repayment of the necessary expenses incurred.

Subsidised passages given exceptionally now.

Subsidised immigration by the Argentine Government was fully dealt with in a former report (Miscellaneous Series, No. 216), and the practically free passages out to this country there mentioned ceased in March, 1891, having proved complete failures.

Immigrants previous to 1890 and since.

The immigrants of 1890 and 1891 were mostly able-bodied workmen willing to work, which could not be said of many immigrants under the subsidised system. These have come out purely with a view to better themselves by labour and not by loafing, and will, most of them, probably be a distinct gain to the nation which greatly requires additional hands of the right class to develop its resources, especially the agricultural portion.

Desirable openings in agriculture.

There is no doubt that for labour in all branches of agriculture there are many desirable openings for immigrants willing to work well, and to live economically.

Want of economy in British immigrant.

The latter qualification is especially deficient in the British immigrant, a fact much to be deplored both for the English labourer, who desires to better his condition, and for this Republic, which requires honest labour such as the former can give. Trustworthiness is a valuable quality, payable with higher wages, which should mark the British immigrant, and enable him to do particularly well where skilled labour is required, if his other qualifications are satisfactory.

Unfortunately the Englishman is essentially conservative in

his habits, and has a remarkable aversion to a new mode of life, such as is unavoidable in this Republic. The meals, food, and habits of the country have to be conformed to by the new arrival, otherwise he finds himself at an immense disadvantage, for they cannot be made to suit his individuality, as he almost seems to expect. The labourer's food here is by no means such as he is accustomed to in England, nor is his lodging. A radical change must be made in his food and mode of living; he will find poorer accommodation and worse food on the whole, though obtaining more meat than at home. The Spanish language is also a great impediment to his success, though easy to acquire sufficiently for a labourer's purpose. Any able-bodied man, especially anyone with some knowledge of agriculture and willing to work thoroughly, is sure of employment. His food may not be good, but it is sufficient. His wages may not be high, but they are enough to support him, and even a small family with care where the wife also works.

British immigrant's difficulties here.

A radical change in food and living necessary.

Immigrant's prospects.

Men with large families should on no account emigrate to this country, and single men or married couples without children find employment easily. It is owing to the Englishman's innate aversion to all change that he has not generally been a success in this country as a labourer, and it is for this reason chiefly that he competes unfavourably with many other foreign labourers who, through their thriftiness and the ease with which they adopt their new life, are far more successful. British immigrants expect far too much on arrival here, and their would-be employers expect harder work of them than they are usually willing to give. Hence the bad name they have out in this country. Given workmen of several nationalities, such as British, Italian, German, and French, all equally good, employers of labour here would at once put aside the British workman, and take any one of the other foreigners, and by preference the Italian. The foreigner works harder than the Englishman, is more amenable, and does not get drunk. Even British employers of labour infinitely prefer foreign to British labour for these reasons. That this should be the case is a great pity, especially as the new arrival is often judged on the merits of his predecessors, and, consequently, finds it still more difficult to obtain employment than he would have done had British labour a better record during the past few years in this Republic.

Large families should not come.

British and foreign immigrants compared.

Bad name of British.

Other foreigners preferred.

There is a great contrast between the Italian labourer and the British labourer. The former is particularly sought after in this country as the best workman and the most satisfactory. His good qualities are many, his faults few. Among the former may be placed his thrift, his endurance, his obedience, his soberness, and his willingness. He lives most economically and saves largely out of wages on which the Englishman only just exists. He has immense advantages over the British labourer in this country. On arrival he finds hundreds of thousands of his compatriots, a language similar to his own, and ways and customs not unlike those to which he has been accustomed all his life.

Italian and British labourers compared.

Advantages of Italians.

Italian labour, as a whole, was also fully dealt with in the above-mentioned report on immigration and labour in 1891.

Class of 1891 and 1892 immigrants.

The greater part of the immigrants of 1891 and 1892 consisted of persons going to find employment obtained for them beforehand by relations or friends, chiefly in the agricultural districts.

Many returned from Brazil.

Large numbers of former emigrants to the Argentine Republic, who last year went to Brazil in consequence of a small "boom" there, have finally returned to this country after a short and unsatisfactory trial of Brazil. Some returned by sea, some by land; many tramped across the frontiers, and finally arrived here once more in a destitute condition.

ANALYSIS of Nationalities of Immigrants during the Years 1889–92.

Nationality.	Number.			Number in 8 Months, 1892.	Increase or Decrease.		Percentage of Decrease, 1889–91.
	1889.	1890.	1891.		1890.	1891.	
Italians	88,647	39,122	15,511	9,399	– 49,525	– 23,711	586
Spaniards ...	71,151	13,560	4,290	2,482	– 57,591	– 9,270	1,775
Russians ...	...	...	2,953	1,488	...	+ 2,953	...
French	27,173	17,104	2,915	1,145	– 10,069	– 14,189	900
Germans ...	2,599	1,271	832	414	– 1,328	– 439	300
Swiss	1,571	959	352	162	– 612	– 607	500
British	5,967	1,108	272	125	– 4,859	– 836	3,000
Austrians ...	4,225	1,918	263	217	– 2,307	– 1,655	2,100
Belgians ...	8,666	762	241	73	– 7,904	– 521	4,300
Others	8,745	2,011	627	399	– 6,734	– 1,384	1,400
Total ...	218,744	77,815	28,266	15,904	– 140,929	– 49,549	900

Steady decrease of immigration.

Comparing the three years 1889 to 1891, we find the total of immigrants fall enormously each year from 218,744 in 1889 to 77,815 in 1890, and to 28,266 only in 1891, and to 15,904 in the first eight months of 1892. To find an equally small number of immigrants as those in 1891 we have to return to the year 1880.

Distribution of immigrants.

Of the total 28,266 immigrants arriving in 1891 the province of Buenos Ayres took nearly 10,000, or 30 per cent., and that of Santa Fé nearly 7,000, or 25 per cent., showing the importance of those two provinces as fields for immigration.

TABLE showing Professions of Immigrants in the Years 1890–91.

Description.	1890.	1891.
	Number.	Number.
Agriculturists	53,981	13,786
Labourers	12,834	5,841

The professions of the immigrants in 1890 and 1891 are as above.

Whereas in 1890 40 per cent. only were agriculturists, over 48 per cent. were such in 1891. In the latter year immigrants of no profession formed some 10 per cent. Better percentage of agriculturists in 1891.

Dr. Alsina in his report declares it will be years before the Argentine Republic will overcome the paralization of immigration and the effects of the crisis. He says the immigrants require three things—accumulated capital, wages that give him a fair living, savings and money of a fixed value; and that such a change as this cannot come about for a long time. Argentine views on immigration.

He complains that in 1891 not a single family was brought to the Argentine Republic by the purchasers of public lands to populate the lands sold them for this purpose at a low rate. In order to comply with the law any families from different parts of the Republic were put on such lands, instead of families of agricultural labourers being brought from abroad to this country to farm them, as was intended by the law.

It appears that there is now a proposal before the Immigration Department of the Office of Lands and Agriculture, by a Mr. Walker, to buy large tracts of land on behalf of some thousands of Australian agriculturists, cattle-raisers, and horse-breeders who wish to emigrate to this Republic. It is stated that he has asked for two concessions of 32 square leagues each for this purpose. Proposal to bring large number of Australians here. Concessions of land asked for.

The table analysing the nationalities of immigrants from 1889 to 1892 (page 82) shows a steady and immense falling-off of immigration of all nationalities with the exception of Russians, and their arrival is entirely due to Baron Hirsch's colonisation scheme to benefit the Jews. That table shows that Italian immigration dropped from 88,000 in 1889 to 15,000 in 1891, and to still less in 1892; that Spanish immigration fell from 71,000 in 1889 to 4,000 in 1891; and similarly for other nations. British immigration, which in 1889 reached nearly 6,000, decreased to 2,000 in 1890, to 272 in 1891, and to 125 only in the first eight months of this year. The greatest percentage of decrease is among Belgian immigrants, being 4,300 per cent., British coming next, and Italian, Swiss, and Germans last. Reduction of immigration of all nations. Russian increase. British immigration.

Jewish Immigration.

Jewish immigration to the Argentine Republic first attracted attention in 1891, and was entirely due to the benevolent efforts of Baron Hirsch to find a new home for the Jews. The Argentine Republic was finally fixed upon as the place where this vast scheme was to be carried out by his unlimited resources. It is an experiment which, in able hands, should succeed here if colonisation can succeed at all, for the Jewish Colonisation Association, as it is called, has unlimited capital to start it, and is not viewed with disfavour by the Argentine Government, though at one time objections were made by some influential Argentines. Jewish immigration first attracted attention in 1891.

In 1889 Dr. Loewenthal studied the climatic and social conditions of the European colonies in the Argentine Republic, and Baron Hirsch's Jewish colonisation scheme.

came to the conclusion that this country was most suited to the prosperity of European immigrants. To him was entrusted, in the first instance, Baron Hirsch's colonisation scheme, with the object of founding Jewish colonies in the various provinces of the Republic. Dr. Loenwenthal bought certain tracts of lands in various parts of this country on which to found these colonies, namely, 10 leagues near Nueve de Jumo, province of Buenos Ayres, for the "Mauricio" colony, and 4 leagues near Palacios, province of Santa Fé, for the colony of "Moisesville."

Lands bought.

Dr. Loewenthal was succeeded by Mr. A. Roth, and in April, 1891, Lieut.-Colonel Goldsmid assumed the duties of Representative of the Association, Mr. A. Roth being appointed manager, Mr. A. Roth subsequently ceased to have any connection with the association, and Colonel Goldsmid was then appointed Director-General, a post he now holds.

Lieut.-Colonel Goldsmid now organising the Jewish colonies.

The development of this Jewish colonisation scheme is a matter of great interest, not only to the Jewish immigrants themselves, but to immigrants of all nationalities. For if these Jewish colonies, with everything in their favour and unlimited funds to start them, do not succeed, other immigrants, with little or no capital, will not be likely to attempt farming on other colonies. To all European nations this enterprise should, for this reason, be one of the greatest interest, and its development should be closely watched in the interests of European emigrants.

Jewish colonisation here should be watched by European nations.

Considering the undoubted success of many agricultural colonists, especially in the province of Santa Fé, Jewish colonies should be a success if the Jewish immigrants know anything of agriculture, or can acquire the necessary agricultural knowledge. To be established in a country where complete religious liberty reigns, and where labour on agricultural products is so remunerative, will be a great boon to the Jews.

Jewish colonists will succeed if agriculturists.

For the Argentine Republic this colonisation scheme is also of the greatest importance, involving, as it does, the possible rapid acquisition of many thousands of population by immigration, a factor which cannot be too greatly estimated in the economic progress of this country. The importance of increasing the population of this Republic rapidly has been recognised by the nation, as is seen from the strenuous attempts made from 1888 to 1891 to acquire population from abroad by subsidised immigration, at a cost to the country of some 800,000*l*. (See Report, Miscellaneous Series No. 216.) To an Argentine it is of interest to consider what influence a large Jewish immigration might have in years to come on the social and political conditions of his country. A possibly large exodus of Jews from Europe to the Argentine Republic has raised great discussion here as to its advisability. At present its numbers are unimportant, but should it reach large dimensions Dr. Alsina (Director of the Argentine Immigration Department) considers that future possibilities would have to be considered, and that, were such immigration to be deemed inadvisable, either for social or political reasons, that influx of Jews could be stopped by special legislation. The

Importance of the scheme to Argentine Republic.

Advisability of its fomenting immigration.

Possible influence of Jewish immigration on conditions of the Republic.

Discussion here as to allowing such immigration.

Jewish immigration could be stopped by

great question seems to be whether these Jewish immigrants, hitherto mostly accustomed to a town life and occupations, can become good agriculturists. Opinions on this point differ widely. Special legislation.

The first arrival of Jewish immigrants was in June, 1891, and during the remainder of that year 2,850 persons arrived, consisting, according to the Argentine Immigration Office returns, of 1,671 males and 1,179 females. Of these 917 were under 12 years of age. They all came in German or French steamers, and were mostly placed in the Mauricio colony, in the province of Buenos Ayres, and in the Moisesville and Sunchales colonies, in the province of Santa Fé. At first the arrivals were satisfactory as regards the number of declared agriculturists. But, in reality, few knew anything of agriculture. The Argentine immigration authorities even complained to Baron Hirsch's representative that large numbers of the arrivals were in a sickly condition (cases of scrofula occurring), and that but few of them were genuine agricultural labourers. This immigration almost ceased in December, 1891, owing to the difficulty of placing these immigrants. First arrivals of Jews in June, 1891. Where sent. Small number of agriculturists. Their sickly condition.

The declared chief occupations of the 2,850 Jew immigrants in 1891, as recorded by the Argentine Immigration Department, are:—

Description.	Number.
Agricultural labourers	1,255
Seamstresses	534
Masons	28
Smiths..	21

Many were, apparently really pedlars, tailors, shoemakers, sign-makers, and small tradesmen. The Argentine immigration authorities, seeing that the arrivals were, many of them, not genuine agricultural labourers, requested that they should be sent at once to the Jewish colonies, as it might cause great ill-feeling in the city of Buenos Ayres if they were allowed to compete with other tradespeople when many of these were already without employment. This was in answer to a request to be allowed to establish them temporarily in the town in their respective trades, giving them pecuniary help besides until the lands in the colonies were ready for them. Great discontent was shown on arrival here by the last batch of 800 immigrants in 1891. No lands being ready for them, they were sent to an inn at Mar del Plata, and given board temporarily. Of this batch a few returned to Europe, in all about 80 people. The greater part were sent some three months later to a new colony in the province of Entre Rios. Their real professions. Opposition of Argentine authorities to their settling in towns. Discontent of arrivals from Europe. Lands not ready. Some returned to Europe.

Altogether over 150 families, about 556 individuals, have been returned to Europe, part of whom were for the United States. Some were discharged from the colonies as being bad characters, and utterly unfitted for colonisation from various 150 families have gone back to Europe.

Reasons of their return.

causes. But the largest proportion were sent away at their own request when they saw that their life of subsidised idleness was coming to an end.

Jewish colonies possibly profitable. Probable rise in value of lands bought.

Financially speaking, Baron Hirsch's colonies, if successful agriculturally, should prove remunerative in the end, and land bought in late years is sure to rise in value in the future, so that there is not likely to be any eventual loss on the bulk of the capital invested, even in case of failure. The prices, however, paid in Entre Rios for lands were in many cases high.

Colony of Moisesville.

A short description of the colony of Moisesville, in the province of Santa Fé is here given, showing the favourable terms on which the Jewish colonist starts in this country. That colony is situated 14 kiloms. from a branch of the Buenos Ayres and Rosario Railway, and extends over 4 leagues, of which only two are fit for agriculture. The soil is thin and somewhat sandy, and, consequently, not favourable for most crops. Water is found conveniently near the surface. This colony, now called Moisesville, was formerly known as Palacios, and consisted of some 40 Jewish families, who had settled there prior to Baron Hirsch's scheme, and they had a contract with Palacios, the owner of the land, which property was eventually bought by the association, and the old colonists taken over.

Soil and water.

Contract between colonists and Jewish Association.

There is at present no contract between the Jewish colonists and the Colonisation Association, but the form of contract to be entered into is now under consideration, and will accord the immigrants very easy terms of repayment.

Grant to each colonist 50 hectares.

Each colonist obtains 50 hectares of land, from 2 yoke to 3 yoke of oxen, ploughs, &c. The old colonists of Palacios have mostly sod houses. Previous to Colonel Goldsmid's arrival over 200 families were living idly in sheds and tents, and had no land as the land could not possibly provide for this number, nearly 200 families were sent to colonies in the province of Entre Rios; the land at Moisesville was then divided among the remaining families, about 120 in number. They have the use of tools, carts, and agricultural machines. The new colonists are now housed in mud and turf huts, with straw roofs. They get money subsidies of 45 dol. m/l (2*l.* 15*s.*) on an average for families, 27 dol. m/l (1*l.* 13*s.*) for married couples, and 15 dol. (18*s.* 6*d.*) for single persons per month. This is paid them as an advance against the eventual produce of the land.

Tools and carts.

Amount of money subsidies per month.

Chief crops.

The crops consist chiefly of wheat, maize, and lucerne. Last year 550 hectares (1,375 acres) were under wheat; the colonists sold 61,980 kilos. at 6 dol. 50 m/l (8*s.* 2*d.*) per 100 kilos., which was an exceedingly low price. A large number of the allotments are cultivated, and, with a good harvest, it is hoped the colonists will be able to repay part of their debt. The only taxes are excise and cart tax.

Taxes, cart and excise.

Administration of colony.

In every colony there is a controller, with one or two assistants. Each group of colonists, under the new organisation, elects a "capitas," or head man, who is responsible to the controller, and has to see that the work is properly done.

A much better feeling now prevails in the Jewish colonies, and a desire to work has replaced a spirit of disorder and idleness. Better feeling now in colonies.

The newer colonies in the province of Entre Rios seem to be progressing particularly well, and the colonists have made a satisfactory beginning. As in the other colonies, there is a money subsidy granted them averaging 10 dol. (14*s.*) a head in large families per month, out of which they provide themselves with food, clothing, &c., and pay a small amount towards medical attendance and infant schools.

The total area of lands owned by the Jewish Colonisation Association appears to be 109,000 hectares (about 272,000 acres), of which 83,133 hectares are in the province of Entre Rios. Total area of colonies 272,000 acres.

The success of these colonies will depend greatly on whether the Jews can take up an agricultural life or not, and no opinion on them can be vouchsafed at present, as they have only been got into working order quite recently. In the course of a couple of years an opinion might be arrived at on this question.

General State of Commerce.

Commerce with the Argentine Republic has for the last 20 years been one of considerable importance, but more especially so since 1880, from which date this country enjoyed 10 years of uninterrupted prosperity and freedom from Revolution. 10 years' peace from 1880 to 1890.

In 1883 the then inconvertible and depreciated paper currency (25 dol. paper equalling 1 dol. gold, or 125 dol. paper being equivalent to 1*l.*) was transformed into a new paper currency at par by issuing 1 dol. of the new issue against 25 dol. of the old. This also helped, and the general prosperity lasted till 1890, when, owing to financial and economic crises, it dwindled away, leaving indelible marks everywhere of its severity. Continuous years of success in trade and commercial undertakings had called forth unusual confidence and trust in every merchant and capitalist; credit was easily obtained anywhere from anybody, and to an unlimited extent. Personal credit grew to proportions such as it has never, perhaps, developed elsewhere. Sound security for loans was hardly asked for by persons of whom one would at least expect ordinary caution in business transactions. Easy credits and over-confidence in the future of the Republic led many into speculation of every kind, but more especially in lands (see "Transfer of Real Property," p. 47). In 1890 came the financial and economic crisis, and with it a Revolution. Credit had been abused: the result was a complete cessation of credit, both public and private, and a return to strictly cash transactions. The inability of many public and private institutions to meet their liabilities caused their inevitable downfall. Banks, national, provincial, and private, had to stop payment. Many commercial houses found themselves in difficulties; some failed. Depreciated paper currency in 1883 converted to an issue at par. 1890 crisis. Excess of credit and speculation. Land speculation. 1890 Revolution. Cessation of credit. Downfall of public and private institutions.

The paper currency, which was temporarily at par in 1883 1890 paper currency had

depreciated greatly.

and 1884, had now depreciated considerably, 1 dol. gold being worth 2·53 dol. paper; in 1891 gold was at 273 per cent. premium on an average, from which it has recovered somewhat during the current year.

Cause of depreciation.

This continual depreciation was due to excessive issues of notes by the Government, and was powerfully impelled by the crisis in 1890, accentuating itself still further in 1891. Distrust became panic.

Gold at 361 per cent. premium in October, 1891.

In October, 1891, gold rose to 361 per cent. premium. During a great part of 1891 commerce and trade were practically paralyzed.

Internal commerce impossible.

The incessant and great changes in the value of the paper currency made commercial transactions almost impossible. A purchase or sale advantageously made one day in paper currency (the legal medium of exchange) might next day be a disastrous loss. Under such conditions internal commerce, at any rate, almost ceased.

Foreign commerce on a different footing.

Foreign commerce, however, was on another footing. It diminished both as to quantity and value, and markedly so in 1890, still further in 1891, and recovering somewhat this year.

Benefit to exporter from depreciated currency.

To the exporter the variation and depreciation of the paper currency mattered little; in fact, it was to his advantage. The exports of the Republic being paid for in gold, based on their gold value in a foreign market, the remuneration to the exporter remained the same. He furthermore experienced the advantage of paying all his labour and most articles produced in the country in the depreciated currency, prices having hardly altered at all to compensate for the depreciation. In the purchase of certain articles, such as sugar, tobacco, wines, &c., and other local products competing with foreign imports, there was little advantage, as their prices are based on the gold value of the similar imported article, and are only put sufficiently below the value of those imports to ensure a ready sale.

Reduced consumption.

Another cause of the diminution of commerce is to be found in the reduced consumption, a natural consequence of economy necessitated by the crisis. It has been estimated that consumption diminished nearly 50 per cent., and that in 1889 some 40 per cent. of the whole population of Buenos Ayres was engaged in supplying luxuries to the remainder.

Withdrawal of funds and credit by foreign countries.

The chief loss to foreign commerce was the loss of confidence in foreign countries and consequent withdrawal by them of funds and credit. To what extent foreign commerce has been effected the following table will show:—

Foreign Trade.

RETURN of Official Values of Imports and Exports for the Argentine Republic during the Years 1883–91.

Year.	Value of Imports.		Value of Exports.		Excess of Imports + Exports −	Total Trade.
	Currency.	Sterling.	Currency.	Sterling.		
	Dollars.	£	Dollars.	£	£	£
1883	80,435,000	15,959,000	60,207,000	11,945,000	+ 4,014,000	27,904,000
1884	94,056,000	18,661,000	68,029,000	13,497,000	+ 5,164,000	32,158,000
1885	92,221,000	18,297,000	83,879,000	16.642,000	+ 1,655,000	34,399,000
1886	95,408,000	18,930,000	69,834,000	13,855,000	+ 5,075,000	32,785,000
1887	117,352,000	23,284,000	84,421,000	16,750,000	+ 6,534,000	40,034,000
1888	128,412,000	25,478,000	100,111,000	19,863,000	+ 5,615.000	45,341,000
1889	164,569,000	32,652,000	90,145,000	17,885,000	+ 14 767,000	50,537,000
1890	142,240,000	28,222,000	100,818,000	20,003,000	+ 8,219,000	48,225,000
1891	67,207,000	13,334,000	103,219,000	20,479,000	− 7,145,000	33,813,000
1892 (6 months)	37,900,000	7,519,000	66,200,000	13,134 000	− 5,615,000	20,653,000

In order to appreciate the value of imports and exports the official values in gold dollars have been reduced to pounds sterling. Taking the eight years 1883 to 1890 it will be seen that the total value of imports exceeded the total value of exports by some 50,000,000*l.* Imports have always greatly exceeded exports according to the official values of Government statistics. The year 1891, however, shows an excess of value of 7,145,000*l.* in favour of exports.

Value of imports always exceeded exports till 1891, when 7,000,000*l.* excess of exports.

The returns for the first six months of 1892 are satisfactory, showing an increase of imports and a large increase of exports, the total trade for the half year being valued at 20,653,000*l.*

In considering the tables in this report it should be remembered that in 1883 commerce was prospering after two years of good Government; that 1889 was the "boom" year in which over-confidence in a continued rapid progress caused immense speculation in all circles; and that in 1890 the financial and economic crisis took place. That crisis became acute in 1891, recovering to a certain extent in 1892. For these reasons those years are here usually selected as showing the development of this country's commerce.

The years 1883, 1889, 1890, and 1891.

From 1881 to 1885 a normal development of commerce took place, imports and exports nearly balancing in official values; the former being 77,000,000*l.*, and the latter 66,000,000*l.*, leaving a balance of 11,000,000*l.* only to imports in those five years.

Development of commerce: two periods compared.

But from 1886 to 1890 the result is very different, the excess of values of imports over exports being 41,000,000*l.* in the next five years. In 1889, the "boom" year, the excess of imports amounted to nearly 15,000,000*l.*; in 1891, the great crisis year, the excess of exports reached 7,000,000*l.* As regards the total trade, it reached 27,000,000*l.* in 1883, 50,000,000*l.* in 1889, and 33,000,000*l.* only in 1891.

Total trade in 1883, 1889, and 1891.

Such are the official values in statistics issued by the National Statistical Office. But these have often been severely criticised.

Criticism on official values.

These seems to have always been a tendency to over-estimate both the value of the imports and exports, especially the imports. Many articles of importation are, in the official tariff on which the duties are based, valued far too high, as, for instance, the following:—

Articles.	Value Approximately per Ton.	
	Official Value.	Estimated Real Value.
	£	£
Tea	200	110
Tobacco	100	70
Paper	50	25
Sugar	38	17
Salt	18	3
Rice	18	10
Iron	8	3

Estimated over-valuation for imports 50 per cent., and for exports 20 per cent.

In a few cases, on the other hand, the official value is lower than the intrinsic value; but such are few, and the former numerous. Many persons, apparently with some reason, consider that imports may fairly be said to be valued, as a whole, nearly 50 per cent. too high, and the exports 20 per cent. Working on that hypothesis, the following results would be obtained for the years 1887 to 1891:—

TABLE showing Estimated Real Value of Foreign Trade for the Years 1887–91.

Year.	In 1,000*l*.			
	Value of Imports.	Value of Exports.	Total Foreign Trade.	Excess of Imports + of Exports −
	£	£	£	£
1887	15,660	14,060	29,720	+ 1,600
1888	17,120	16,680	33,800	+ 440
1889	21,940	15,020	36,960	+ 6,920
1890	18,960	12,800	31,760	+ 6,160
1891	8,960	16,120	25,080	− 7,160
Total	82,640	74,680	157,320	+ 7,960

Quantities of imports and exports the only true indication of trade.

This possible difference of over-value of 50 per cent. on imports and 20 per cent. on exports should be borne in mind when considering the official values quoted here and elsewhere. Hence quantities give more satisfactory results than values, and are, therefore, given as far as possible.

The above table shows great divergencies from the former one. Here, in the five years 1887 to 1891, exports have only exceeded imports to the value of 7,000,000*l.* In 1890 excess of imports is 6,000,000*l.*; in 1891 the excess of exports is 7,000,000*l.* 1887 to 1891 period.

In a comparison of the value of all the foreign commerce of all the South American States in 1889, it has been stated that Brazil obtained 27 per cent., the Argentine Republic 26 per cent., and Chile 11 per cent. of the whole value. 27 per cent. South American trade to Argentine Republic.

The foreign trade of the Argentine Republic will now be analysed. The distribution of its foreign commerce is most interesting both as regards imports and exports.

In the following table the six chief countries importing, according to importance in 1890, are given, and the percentage of the official values of the whole imports imported by each into this Republic. In the adjoining table is given the percentage of value of the total exports from this country taken by each of those foreign nations. Here, naturally, the possible over-valuation of both imports and exports is of no consequence, the percentages for each country being merely relative. Analysis of foreign trade of Argentine Republic.

RETURN of Foreign Trade of the Argentine Republic during the Years 1883–91.

IMPORTS.

Years.	Great Britain.	France.	Germany.	Belgium.	United States.	Italy.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
1883	39	19	9	4	6	4
1884	43	18	9	7	7	4
1885	38	16	7	8	7	4
1886	35	18	8	8	7	5
1887	30	20	10	9	9	6
1888	34	18	10	9	8	6
1889	34	18	9	8	10	6
1890	40	14	9	8	6	5
1891	42	12	9	9	6	6

EXPORTS.

Years.	Great Britain.	France.	Germany.	Belgium.	United States.	Italy.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
1883	10	37	8	20	5	3
1884	10	33	10	22	6	3
1885	16	29	9	18	7	3
1886	14	31	10	16	6	3
1887	20	30	12	14	7	4
1888	17	28	13	17	7	3
1889	12	31	14	13	6	3
1890	19	25	11	12	6	3
1891	17	23	11	17	4	3

In considering the imports, we see that Great Britain heads the list with 40 per cent. of the total value of imports in 1890. In 1883 England absorbed 39 per cent. or nearly as much as in 1890; and from 1883 to 1890 continually lost ground, its imports Results of table of percentages.

England's trade increasing.

to this country being reduced to 34 per cent. only in 1888 and 1889. In 1887 its percentage was only 30 per cent. That considerable falling-off is greatly to be deplored, and was due, as the table shows, to an increase of the proportions of other nations, chiefly Belgium, United States, and Italy. These three countries show a rapid increase in the value of Argentine trade absorbed by them. Belgium imports having increased 100 per cent., North American and Italian 66 per cent. and 50 per cent. respectively in the years 1883 to 1889. The United States shows not only an increase of 60 per cent. for imports but of 18 per cent. for exports taken from this country in that time. As regards proportions, France had declined, Germany has remained stationary, having increased in 1887 and 1888, and has since returned to its former proportion. In 1890, as compared with 1889, all countries, except England, Germany, and Belgium suffered a decrease proportionally.

Increase of Belgian, North American, and Italian trade.

United States.

Decline of French trade.

Other countries.

Exports, percentages taken.

France 25 per cent. in 1891; Great Britain 19 per cent. only.

In considering the percentages of the values of Argentine exports which these countries take, it is noticed that Great Britain only takes 19 per cent. in 1890, whereas France absorbs 25 per cent., and had in 1889 taken as much as 31 per cent. As regards exports, France takes the lead in 1890 with 25 per cent., Great Britain second with 19 per cent., Belgium and Germany next with 12 per cent. and 11 per cent. respectively. During the years 1883 to 1890 England had doubled its proportion of values of Argentine exports received; Germany had increased 37 per cent. and the United States 20 per cent. France and Belgium had greatly decreased. In 1891, however, Belgium showed a remarkable increase of nearly 50 per cent.

England's trade.

Position of Great Britain satisfactory in 1890.

The total result for Great Britain is satisfactory in 1890. Its imports into the Argentine Republic being 40 per cent. of the whole, and having regained its former proportional importance lost since in 1883. Its absorbtion of Argentine exports has from 1883 to 1890 increased nearly 100 per cent., being 19 per cent. of this Republic's total exports in 1890. Other countries, chiefly France and Belgium, have lost ground, as regards consumption of Argentine exports, from 1883 to 1890; as regards imports during those years France only lost its footing of 1883.

French and Belgium trade.

The imports and exports of the Argentine Republic with Great Britain for the last 9 years stand thus according to official figures.

TABLE showing Argentine Trade with Great Britain during the Years 1883–91.

Year.	In 1,000*l.*			
	Imports.	Exports.	Total Trade.	Total Trade, Increase or Decrease.
	£	£	£	£
1883	6,090	1,181	7,271	..
1884	7,882	1,430	9,312	+ 2,041
1885	7,018	2,543	9,561	+ 249
1886	6,633	1,998	8,631	− 930
1887	6,900	3,389	10,289	+ 1,658
1888	8,738	3,385	12,123	+ 1,834
1889	11,273	2,962	14,235	+ 2,112
1890	11,471	3,829	15,300	+ 1,065
1891	5,617	3,332	8,949	− 6,351

Of course, on the supposition of official valuation being 50 per cent. too high for imports and 20 per cent. for exports, this table would be greatly reduced, especially for the value of the imports. It will be noticed that in the last 9 years the total trade with Great Britain steadily increased, except in 1886, up to 1891, when, however, its trade fell to almost a half, representing in value a loss of some 6,351,000*l.*

The value of imports and exports of the ten most important countries importing in 1883, 1889, 1890, and 1891 are shown below in sterling according to official figures:—

RETURN of Imports and Exports of Ten Chief Countries in 1883, 1889–91 compared.

Countries.	1883.	1889.	1890.	1891.	Increase or Decrease in 1891.
	£	£	£	£	£
Great Britain—					
Imports	6,090,000	11,273,000	11,471,000	5,617,000	– 5,617,000
Exports	1,181,000	2,962,000	3,829,000	3,332,000	– 497,000
France—					
Imports	3,059,000	5,999,000	3,943,000	1,573,000	– 2,370,000
Exports	4,174,000	7,592,000	5,294,000	4,790,000	– 504,000
Germany—					
Imports	1,394,000	3,070,000	2,440,000	1,232,000	– 1,208,000
Exports	955,000	3,396,000	2,294,000	2,305,000	+ 11,000
Belgium—					
Imports	647,000	2,769,000	2,179,000	1,263,000	– 916,000
Exports	2,410,000	3,239,000	2,381,000	3,597,000	+ 1,216,000
United States—					
Imports	978,000	3,333,000	1,845,000	684,000	– 1,161,000
Exports	696,000	1,532,000	1,203,000	836,000	– 367,000
Italy—					
Imports	690,000	2,021,000	1,718,000	835,000	– 883,000
Exports	327,000	779,000	633,000	659,000	+ 26,000
Uruguay—					
Imports	881,000	1,429,000	1,167,000	510,000	– 657,000
Exports	383,000	1,070,000	1,092,000	895,000	– 197,000
Spain—					
Imports	751,000	905,000	853,000	311,000	– 542,000
Exports	262,000	661,000	413,000	259,000	– 154,000
Brazil—					
Imports	432,000	517,000	665,000	295,000	– 370,000
Exports	339,000	1,494,000	1,675,000	2,085,000	+ 410,000
Paraguay—					
Imports	260,000	273,000	342,000	293,000	– 49,000
Exports	341,000	169,000	66,000	91,000	+ 25,000

Analysis of imports.

As regards imports, it will be seen that whereas Great Britain sent to this Republic twice as much as France in 1883, in 1890 it sent three times as much. Germany and Belgium are the next largest importers here with over 2,000,000*l.* each in 1890, the United States and Italy running next with just under 2,000,000*l.* each. Uruguay figures with 1,000,000*l.*, Spain, Brazil, and Paraguay with only a few hundred thousand each. Five other countries, not mentioned in that table, imported goods here, namely Holland, Sweden, Portugal, Bolivia, and Chile, the first with 109,000*l.* and the rest with insignificant amounts.

Analysis of exports.

As regards exports, Great Britain in 1883 only took from the Argentine Republic one-fourth of what France did; in 1890, however, England took four-fifths as much—the figures being 3,800,000*l.* as against 5,294,000*l.* In 1890 Germany and Belgium each took over 2,000,000*l.* worth of Argentine produce; Brazil, United States, and Uruguay over 1,000,000*l.*; Italy, 600,000*l.*; Spain, 400,000*l.*; and Paraguay, 66,000*l.* The other countries not mentioned there, Holland, Sweden, Portugal, Bolivia, and Chile, all took under 100,000*l.* each of Argentine produce, Bolivia and Chile only 10,000*l.* each. Far more was exported to Chile and Bolivia than was imported from them. The exports to Chile were 438,000*l.*, and the imports from there only about 10,000*l.*

Comparison of positions of 10 principal countries trading with Argentine Republic in 1883 and 1890.

The comparison of the relative importance of the 10 chief countries trading with this Republic in 1883 and 1891 will prove interesting, and is here given.

TABLE showing the Relative Positions of 10 Principal Countries trading with Argentine Republic during the Years 1881–90.

Order of Importance, 1881.	Imports.				Exports.			
	1881.		1890.		1881.		1890.	
	Countries.	In Millions of Gold Dollars.	Countries.	In Millions of Gold Dollars.	Countries.	In Millions of Gold Dollars.	Countries.	In Millions of Gold Dollars.
	All countries ..	55	All countries ..	142	All countries ..	57	All countries ..	100
1	Great Britain ..	16	Great Britain ..	57	France	16	France	26
2	France	10	France	19	Belgium ..	14	Great Britain ..	19
3	United States ..	4	Germany ..	12	United States ..	4	Belgium ..	12
4	Germany ..	3	Belgium ..	10	Germany ..	4	Germany ..	11
5	Belgium ..	3	United States ..	9	Great Britain ..	3	Brazil	8
6	Spain	3	Italy	8	Italy	2	United States ..	6
7	Uruguay ..	3	Uruguay ..	5	Uruguay ..	2	Uruguay ..	5
8	Italy	2	Spain	4	Brazil	1	Italy	3
9	Brazil	2	Brazil	3	Chile	1	Chile	2
10	Paraguay ..	– (999)	Paraguay ..	1	Spain	1	Spain	2

In 1881 exports exceeded imports; in 1890 imports exceeded exports.

The most striking point here is that in 1881 the value of exports exceeded that of imports, whereas in 1890 the value of imports far exceeded that of exports according to official figures.

Analysis of positions of countries as regards imports here.

This comparison shows how, in the 10 years 1881 to 1890, Great Britain and France have always been the leading importing countries here, the former having, however, greatly outrun the latter in late years; how Germany and Belgium now take the third and fourth places, as regards imports, whereas they used to occupy the fourth and fifth, the United States having descended from the third importing country to the fifth. Italy has gone up considerably and Spain fallen correspondingly, the rest maintaining their old positions.

Analysis of positions of countries as regards exports.

As regards exports, France was always the largest importer of Argentine products. Belgium, which used to be second in 1883, now stands third. Great Britain has advanced from the fifth place only in 1883 to the second in 1890. The United States and Italy have both fallen considerably while Brazil has risen immensely. Germany, Uruguay, Chile, and Spain have maintained their old positions.

Imports.

Having now analysed foreign commerce as a whole with foreign countries, it is instructive to compare more narrowly the imports and exports, irrespective of the countries importing or exporting them both as to their relative values, and as to their increase or decrease in the last 3 years, that is in 1889 (the great year of prosperity), and then in 1890 and 1891—years of crisis. The imports will first be taken, then exports.

Imports are classified under 16 heads—

I. Live animals.
II. Alimentary substances.
III. Liquors.
IV. Tobacco.
V. Woven and spun fabrics.
VI. Ready-made clothing.
VII. Chemical products.
VIII. Wood and its uses.
IX. Paper and its uses.
X. Leather and its uses.
XI. Iron and its uses.
XII. Building materials.
XIII. Metals and their uses.
XIV. China, glass, stones, &c.
XV. Fuel and lighting.
XVI. Various manufactured articles.

Duties on most articles.

Most of the articles imported under these heads are subject to duties, notable exceptions being all live animals (except certain horses), wire fencing, raw materials, materials for railways, tramways, gas, mines, drainage, port works, telegraphs, and telephones.

Exempted articles.

Duties on imports.

Prior to January, 1891, duties were levied in paper currency.

In 1890 the original law imposed an additional 15 per cent. on duties charged to compensate for the great depreciation of the paper money. But as the premium on gold reached 200 per cent. in May, 1890, the law was then amended, making duties payable half in gold and half in paper at par. A law of January, 1891, however, made all duties payable in gold, or its equivalent in paper money. The rate at which paper is taken is in reality rather lower than the market rate, and is fixed daily by the Treasury.

1891 Law on duties; all payable in gold.

This new law on duties caused an extraordinary influx of imports in the latter part of 1890, and in January, 1891, in order to avoid the increased duties from that date. And in February and March, 1891, a stagnation of imports consequently took place.

The following table analyses the duties levied during the last 7 years—1885 to 1891—on imports:—

ANALYSIS of Duties on Imports during the Years 1885–91.

Years.	Value of Imports Paying Duties.	Value of Imports Free of Duty.	Duty Paid.		Increase or Decrease.	Average Duty Levied.
			Currency.	Sterling.		
	Per cent.	Per cent.	Gold dol.	£	£	Per cent.
1885	80	20	20,000,000	4,076,000	...	30
1886	88	12	22,000,000	4,513,000	+ 437,000	26
1887	88	12	29,000,000	5,863,000	+ 1,350,000	28
1888	82	18	27,000,000	5,545,000	− 318,000	26
1889	78	22	31,000,000	6 294,000	+ 749,000	24
1890	70	30	19,000,000	3,954,000	− 2,340,000	20
1891	63	27	12,000,000	2,408,000	− 1,546,000	30

It will first be noticed that since 1887 there is an extraordinary and steady decrease in value of imports paying duty amounting to 25 per cent., and an increase of 100 per cent. in value of imports paying no duties. The former is chiefly to be attributed to a restricted consumption, and the latter to the immense increase of materials for public works and companies which are admitted free. The easy credits and accommodation of the last few years, no doubt, induced commercial houses in the Argentine Republic to lay in greater stores of articles than they actually required.

Decrease in proportion of imports paying duty.

Causes of.

The largest duties levied were in 1889, and amounted to 6,000,000*l.* In 1890 they dropped to 3,900,000*l.*, and in 1891 to 2,408,000*l.* only. The loss in duties from 1889 to 1890 was 2,340,000*l.*, a serious loss to the State.

Duties in 1889 reach 6,000,000*l.*, in 1891 only 2,408,000*l.*

The average rate of duties levied in 1891 was the same as in 1885, there having been a gradual yearly average decrease—from 28 per cent. in 1887 to 20 per cent. in 1890.

Average rate of duties levied.

The duties levied are mainly ad valorem duties, and form 60 per cent. of the whole; specific duties form 40 per cent., though only on 50 divisions out of 3,800 divisions in the tariff of values.

"Ad valorem" duties; the principal ones.

M. Hansen, Argentine Finance Minister in 1891, says in his report for that year that he is in favour of the abolition of ad valorem duties, on the ground that specific duties are more easily

Finance Minister favours abolition of "ad valorem" duties.

Reasons for.

levied, and require less technical knowledge in custom-house officials; and also that many articles, really unequal in value, have to be lumped together as equal under the ad valorem system. He considers specific duties to be more desirable both for the State and for the merchant.

Complaints as to over-valuation of goods by custom-house.

Many complaints are continually arising as to the excessive values put on goods by the Argentine custom-house, which make the duties levied far heavier than they should be.

Dealing with imports and their relative values, it will be seen from the following table the percentage of value absorbed by each of the 16 classes (*see* page 96), from 1885 to 1891, out of the total value of imports.

RETURN of Percentages of Values of each of the 16 Classes of Imports during the Years 1885–91.

Classes.	1885.	1886.	1887.	1888.	1889.	1890.	1891.
	Per cent. (under 1)	Per cent. (under 1)	Per cent. (under 1)	Per cent. (under 1)	Per cent. (under 1)	Per cent. (under 1)	Per cent. (under 1)
1. Live animals ...	...	...	...	...	11	11	12
2. Alimentary substances	...	...	...	...	9	9	5
3. Liquors	4	6	...	4	3	5	5
4. Tobacco	21	23	19	17	13	16	21
5. Woven and spun fabrics	3	3	6	6	5	4	3
6. Ready-made clothing ...	2	3	3	3	3	3	3
7. Chemical products	6	7	7	6	7	5	3
8. Wood and its uses	2	2	2	2	2	2	2
9. Paper and its uses	1	1	1	1	1	1	1
10. Leather and its uses	12	13	12	12	14	6	6
11. Iron and its uses	13	5	4	12	14	25	27
12. Building materials	4	3	3	2	2	1	1
13. Metals and their uses	3	4	4	5	4	3	2
14. China, glass, stones, &c. ...	2	3	4	3	4	4	6
15. Fuel and lighting	...	...	...	...	...	...	...
16. Various manufactures ...							

Woven and spun goods.

In every year woven and spun goods, iron and its uses, and materials for building take the lead by a long way, usually forming between them over 40 per cent. of the whole value of the imports.

Results of table.

Woven and spun fabrics formed 23 per cent. of the whole value of imports in 1886, falling steadily to 1889, but rising in 1890, and reaching its former importance of 21 per cent. again in 1891. These woven and spun fabrics, materials for building (mostly for large public works and companies having contracts), and fuel and lighting materials are the only ones showing an increase in importance in 1891 over 1890. All the rest remained stationary or decreased.

Comparing 1889 with 1890, it is seen that only woven and spun materials, building materials, and tobacco have gained in relative importance; chemical products, paper, leather, materials for fuel and lighting, and alimentary substances maintain their former position; clothes, iron, metals, glass, china, liquors, woods, and live animals have lost ground. 1889 and 1890 compared.

Analysing the value of the imports more closely for the 3 years, 1889 to 1891, the following table is obtained in sterling:— Analysis of imports 1889 to 1891.

RETURN of the Value of each Class of Imports during the Years 1889–91 Compared.

Order of Importance, 1890.	1889.	1890.	1891.	Increase or Decrease.	
				1890.	1891.
	£	£	£	£	£
Materials for building ...	4,786,000	7,197,000	3,547,000	+ 2,411,000	– 3,650,000
Woven and spun fabrics ...	4,791,000	4,660,000	2,947,000	+ 131,000	– 1,713,000
Alimentary substances ...	3,640,000	3,256,000	1,631,000	+ 384,000	– 1,625,000
Liquors...	3,035,000	2,537,000	731,000	+ 498,000	– 1,806,000
Iron and uses	4,906,000	1,898,000	896,000	– 3,008,000	– 1,002,000
Wood ,, ...	2,401,000	1,468,000	468,000	– 933,000	– 1,000,000
Ready-made clothing ...	1,603,000	1,296,000	462,000	– 307,000	– 834,000
Fuel and lighting	1,506,000	1,240,000	823,000	– 266,000	– 417,000
Diverse articles	1,250,000	982,000	435,000	– 268,000	– 547,000
Glass, china, &c.	1,321,000	820,000	238,000	– 501,000	– 582,000
Chemical products	943,000	768,000	477,000	– 175,000	– 291,000
Paper and uses	781,000	719,000	313,000	– 62,000	– 406,000
Tobacco...	375,000	506,000	90,000	+ 131,000	– 416,000
Metals and uses	768,000	450,000	167,000	– 318,000	– 283,000
Leather ,, ...	496,000	338,000	84,000	– 158,000	– 254,000
Live animals	30,000	79,000	3,000	+ 49,000	– 76,000
Total	32,652,000	28,222,000	13,334,000	– 8,219,000	– 7,145,000

In the year 1890 there was a considerable decrease in the importation of nearly all imports, chiefly in iron and liquors, there being, however, an increase for building materials, tobacco, and live animals. Results of table.

In 1891 there was a still bigger decrease in every class of import, even in materials for building purposes, mostly public works.

We now proceed to deal briefly with the quantities of each class of import in the years 1887 to 1891.

LIVE Stock Imported during the Years 1886–91.

Description.	1886.	1887.	1888.	1889.	1890.	1891.
Sheep	18,716	46,316	3,351	19,479	1,030	1,909
Cattle	1,463	942	4,527	628	362	103
Horses	857	1,506	990	547	535	121

This importation of live stock, as a whole, reached its greatest height in 1888 and 1889. The largest importation of sheep was Its importance.

in 1887 with 46,000, and has never since reached half that importance, the average for 1890 and 1891 being only 1,500. The greatest number of cattle was imported in 1888, and has fallen-off immensely since that year, the figures being 4,500 in 1888, 362 in 1890, and 121 only in 1891; 1887 was the great year for the importation of horses and mares, and has steadily fallen-off ever since.

Importation of alimentary substances.

The six chief imports only amongst Class II. of alimentary substances will here be given for the last 5 years, and the principal foreign countries importing in 1890, with their corresponding number of kilos.

RETURN of Alimentary Substances Imported during the Years 1887–91.

Articles.	In Million Kilogrammes.*					Chief Country Importing in 1890.	In 1,000 Kilos.
	1887.	1888.	1889.	1890.	1891.		
Sugar	22	19	34	29	13	France ...	15,478
Yerba maté ...	20	17	20	23	17	Brazil ...	13,514
Rice	16	13	15	17	11	Germany ...	6,707
Olive oil ...	5	4	6	5	2	Italy ...	3,707
Coffee	3	3	2	3	1	Brazil ...	1,939

* 1 kilo. = 2·205 lbs.

Sugar.

The importation of sugar had increased up to 1889, but has fallen off since largely due to the increased manufacture of sugar in this country. France imports one-half of all the foreign sugar consumed here. A few details on sugar, as its importation is so important and as the local sugar factories are yearly increasing their produce, will not be uninteresting.

Areas and yield of sugar 1891.

Sugar is mostly cultivated in the Province of Tucuman and can be grown on any land north of 27 degrees south. Its extent of cultivation in this Republic has been estimated at 67,000 acres, of which three-fourths are in that province (according to the Finance Minister's report for 1891), with a yield of some 36,000,000 kilos. of sugar from the 46 sugar factories in all the provinces. It is there also estimated that the province of Tucuman produced 26,000,000 kilos. out of the total 36,000,000 kilos., and that the total consumption of the Republic was 50,000,000 kilos. in 1891, or about 12 kilos. per inhabitant (or less than half the consumption per head in England). The loss of duties on imported sugar was some 360,000*l.* from 1889 to 1891 from its importation having fallen from 34,000,000 kilos. in the former year to 13,000,000 kilos. in the latter. For some years the local sugar crop has exceeded the quantity of imported sugar by at least 25 per cent., and even by 50 per cent. and 100 per cent. In 1891 the sugar imported reached one-fourth only of the local crop. For latest information on this subject see Mr. Bridgett's report on

Estimated yield of sugar production of Tucuman in 1891 26,000,000 kilos.

Local and imported sugar compared.

sugar (No. 263, Miscellaneous Series), where railway returns give an export of 35,000 tons from the province of Tucuman alone in 1891. Other estimates give the total yield of the Republic as 50,000 tons in 1891, and the estimated crop this year at 62,000 tons, which is far more than the estimate of the Finance Minister.

TABLE showing the Importation of Liquors during the Years 1887–91.

Article.		Quantity in 1,000.					Chief Country Importing in 1890.	Quantity in 1,000.
		1887.	1888.	1889.	1890.	1891.		
Wine in cask, ordinary	Litres*	69,567	47,692	66,241	57,170	23,116	Spain	25,445
Bordeaux	,,	37,829	34,320	39,408	29,334	9,236	France	28,941
Gin	,,	2,419	1,604	1,455	1,120	38	Germany	525
Spirits and liqueurs	,,	345	1,036	242	426	59	Spain	157
Beer	Dozens	280	249	462	320	17	Germany	129
Bitters	,,	..	..	66	97	17	Italy	68
Cognac	,,	150	102	132	90	5	France	78
Mineral and aerated waters	,,	58	69	84	74	19	Great Britain	23

* 1 litre = about ¾ quart = 0·22 gallon.

Spain and France stand about equal as regards the importation of ordinary table wine in 1890, and forms the bulk of the liquor trade. It reached its greatest height in 1889, and has fallen off considerably since, in great part due to an increased and better local supply. Beer has also fallen off since 1889, owing to increased sale of locally manufactured beer more suited to this climate and far cheaper than the imported article. Results of table.

One of the most promising industries of the Argentine Republic, which many people consider would probably hold its own on its own merits (even if duties on imported wines were abolished), is the wine-growing industry. Some particulars with regard to it are, therefore, given here. Wine-growing industry promises well.

According to a recent publication of the Ministry of Agriculture in Italy, the total area devoted to wine-growing in Europe is over 9,000,000 hectares with a yield of 117,000,000 hectolitres. Italy stands well at the head of all countries in this respect with an area of 3,500,000 hectares and a yield of 30,000,000 hectolitres. Wine-growing in Europe and Argentine Republic.

The Argentine Republic is there credited with 29,350 hectares (73,000 acres) and a yield of 1,200,000 hectolitres. But it would seem that that estimate is too high, 23,000 hectares (56,000 acres) with a yield of 500,000 hectolitres being nearer the mark for 1891. This next season, with an additional 9,000 hectares under cultivation, will probably yield 700,000 hectolitres. Estimated area and crop, 1891.

Wine-growing in this Republic is successful between 30° and and 35° south; in Europe it is between 37° and 50° north. The advantage here is less climatic changes. Native wines might be much improved by judicious blending and elaboration. The wine industry is chiefly in the hands of Argentines, Italians, Spaniards, and Frenchmen, and was originally started by natives. The necessary capital was originally borrowed, but many wine-makers and grape-growers have now command of large capital. This industry is particularly remunerative for those working with their own capital, for the rate of interest on borrowed capital is very high. Wine-growing districts.

Unfortunately those engaged in wine-growing have not yet sufficiently large capitals to enable them to hold the native wines for a few years. Could they do this the flavour would be much improved and higher profits made. The best local wines are fairly good. Even ordinary wine is sold at a comparatively high price to-day, as duties on the imported article are so heavy. Many wines from these provinces are sold in Buenos Ayres as French imports. Capital not sufficient to keep wines.

Common table-wines of all classes from abroad are now beginning to be replaced by native productions, as the following comparison will show:—

RETURN of Imports of all Table Wine during the Years 1885–91.

Year.	Quantity in 1,000 litres.*
1885	56,000
1886	75,000
1887	107,000
1888	82,000
1889	105,000
1890	86,000
1891	32,000

Large decrease in last 5 years.

This shows a falling-off of 75,000,000 litres in the last five years. The decrease in the last two years were due to three causes—to general economy, to the heavier gold duties since January, 1891, and to increased production of native wines.

Locusts.

Locusts last season did great damage to the grape crop, and the loss therefrom was estimated at 200,000*l.*

Estimated value of 1891 crop.

The estimated value of the produce of the vineyards has been officially given as 15,000,000 dol. (1,100,000*l.*).

1892, taxes on alcohol, beer, and matches.

By a law promulgated this year a new tax was placed on alcohol, beer, and matches, all of which articles the Finance Minister did not consider to be necessities of life, and, therefore, not a burden on the poorer classes. A wonderful development of the local manufacture of these articles had taken place, due to the heavy duties on the similar imported articles. This tax has met with much opposition, but, in spite of great difficulty in collection, produced some 159,000*l.*, a yield which, it is hoped, will be greatly increased this year and become an important item of revenue.

Yield 159,000*l.* in 1892.

Alcohol.

Some remarkable results are to be found in comparing the importation of alcohol in recent years—

RETURN of Importation of Alcohol during the Years 1885–91.

Year.	Quantity in 1,000 litres.*
1885	3,398
1886	1,807
1887	684
1888	123
1889	543
1890	543
1891	93

* 1 litre = 0·22 gallons.

Imported alcohol amounted to over 3,000,000 litres in 1885, to 543,000 litres in 1889, and to only 93,000 litres in 1891. In the manufacture of spirits, maize and sugar-cane are almost entirely employed, the former more than the latter. Spirits made of grapes are almost entirely used to strengthen wines of local manufacture. A large portion—probably one-fourth—of the total produce of alcohol is supposed to be used in manufacturing and fortifying local and other wines and liquors of all sorts. The present duty on alcohol is only one-sixth of that on the imported article.

Largely used to fortify and manufacture wine.

Tax on alcohol.

RETURN of the Importation of Tobacco during the Years 1887–91.

Articles.	1887.	1888.	1889.	1890.	1891.	Chief Country Importing in 1890.	Quantity.
	Kilos.*	Kilos.	Kilos.	Kilos.	Kilos.		Kilos.
Cigars, not Havana ...	257,000	310,000	342,000	478,000	1,000	Belgium ...	199,264
Havana cigars ...	21,000	17,000	58,000	82,000	3,000	France ...	23,264
Cigarettes ...	7,000	12,000	8,000	3,000	1,000	France ...	829
Tobacco leaf, common ...	608,000	4,502,000	4,089,000	6,879,000	3,195,000	Paraguay ...	3,056,000

* 1 kilo. = 2·205 lbs.

The importation of tobacco increased normally up to 1891, when an extraordinary diminution took place, which can only be accounted for by the increased duty placed on tobacco in 1891 having abnormally increased the importation in the latter part of 1890, and by an enormous increase of smuggled tobacco. The Government had only placed a duty of 15 c. a kilo. on Paraguayan tobacco, instead of 100 c. (4*s.*) at least a kilo. on foreign tobacco, the consequence being that large quantities of foreign tobacco are imported direct to Asuncion in Paraguay and return to Buenos Ayres as imported from Paraguay with the lower duty. The great increase of locally-grown tobacco, due to the high duty, has also helped to reduce the amounts imported.

Extraordinary decrease in 1891.

Probable causes of.

RETURN of the Importation of Woven and Spun Fabrics during the Years 1887–91.

Articles.	1887.	1888.	1889.	1890.	1891.	Chief Country Importing in 1890.	Quantity.
	Kilos.	Kilos.	Kilos.	Kilos.	Kilos.		Kilos.
Hessians	9,960,000	8,632,000	12,007,000	12,333,000	9,998,000	Great Britain	6,730,000
Cottons	7,181,000	6,890,000	6,379,000	6,866,000	5,637,000	Great Britain	4,819,000
Pack thread ...	2,067,000	1,803,000	2,140,000	2,905,000	1,135,000	Great Britain	1,953,000
Sewing cotton ...	1,831,000	1,570,000	1,004,000	2,013,000	1,036,000	Great Britain	1,715,000

The above are the four chief imports as regards quantity

Four chief imports.

under this class, and Great Britain has practically the monopoly here. It imported 22,000,000 kilos. out of a total of 34,000,000 kilos.; France, 2,500,000 kilos. only; Germany, 2,250,000 kilos.; and Belgium, 1,500,000 kilos.

Local manufacture of cloths and cottons.

It may here be mentioned that several attempts are being made to manufacture cloths and cottons here, which seem to be successful because of the high duties on the foreign manufactured article and the present cheapness of labour

Importation of ready-made clothing.

Here comparisons by weight, as given in statistics, are not of much value. Great Britain imported about one-third of the whole, which in 1890 was officially valued at 257,000*l.*

Importation of chemical substances.

In all 20,000,000 kilos. were imported in 1890, one-third coming from Great Britain. The following are the principal articles imported in that year :—

Articles.	Quantity in 1,000 kilos.*	Chief Country Importing.	Quantity in 1,000 kilos.
Pitch	4,327	United States	3,566
Malt	2,902	Germany	2,894

Other imports.

Ashes of soda ("ceniza de soda") and paints come mostly from England, sulphuric acid from Germany, sulphur from Italy, and salt from Spain. Salt is largely manufactured in this country; there is a new establishment of this kind in the south of the province of Buenos Ayres recently started (see Mr. Bridgett's Report, Miscellaneous Series No. 218).

Importation of woods.

Under this heading in the Government returns pianos, carriages, and carts are included. All these saw their best days in 1889, when 961 of the former and 2,637 of the latter were imported.

The following are the principal woods imported in 1890 :—

Class of Wood.	Quantity in 1,000 kilos.*	Chief Country Importing, 1890.	Quantity in 1,000 kilos.
Pine	9,928	United States	8,947
Cedar	212	Paraguay	211
Walnut	89	United States	37
Oak	76	„ „	66

Importation of paper.

There have recently been discussions in the local papers severely criticising the excessive value put on paper by the custom-house. Paper is there apparently valued at some 50*l.* a ton, which is about twice its real value. The duty nominally is 25 per cent., but, owing to this high evaluation, amounts to some 50 per cent. of its intrinsic value.

High value of paper in customs tariff.

* 1 kilo. = 2·205 lbs.

A table of the most important classes of paper is appended, showing the trade during the last five years. Here Great Britain only imported one-tenth of the whole.

RETURN of Classes of Paper Imported during the Years 1887–91.

Articles.	1887.	1888.	1889.	1890.	1891.	Chief Country Importing in 1890.	Quantity.
	Kilos.*	Kilos.	Kilos.	Kilos.	Kilos.		Kilos.
Paper for printing	2,758,000	3,500,000	4,994,000	4,825,000	2,325,000	Germany ...	2,166,000
Cardboard ...	338,000	549,000	918,000	1,240,000	466,000	Italy ...	431,000
Paper for parcels	2,400,000	1,350,000	1,007,000	931,000	321,000	Italy ...	562,000
Books and pamphlets	376,000	600,000	617,000	425,000	259,000	France ...	125,000
Writing paper ...	597,000	625,000	562,000	420,000	172,000	Germany ...	118,000
Cigarette paper ...	324,000	236,000	202,000	232,000	222,000	Germany ...	106,000

Importation of leather.

In 1890 the total value of the imports under this head was about 338*l.*, of which only one-sixth came from England. There are now large local boot factories which supply ordinary boots, shoes, &c.; but the better ones come from Europe. There has even been a small export to Europe in 1890 and 1891 of boot-soles amounting to 27,000 last year.

RETURN of Importation of Iron during the Years 1887–91.

Articles.	In 1,000 Kilos.					Chief Country Importing in 1890.	Quantity.
	1887.	1888.	1889.	1890.	1891.		
							Kilos.
Iron and steel ...	36,000	67,000	89,000	24,000	12,000	Gt. Britain...	13,000,000
Columns and girders... ...	19,000	31,000	26,000	14,000	4,000	Belgium ...	9,522,000
Wire for fencing	35,000	28,000	39,000	10,000	21,000	,, ...	4,020,000

Great decrease since 1889.

Here, as nearly everywhere else, is found an immense decrease since 1889, the crisis having stopped nearly all building operations and reduced the rapidity with which lands were being fenced in in recent years.

Agricultural tools.

As agriculture now occupies such a prominent position in this Republic and promises to greatly increase, it is worth studying the importation of agricultural tools in the last three years.

* 1 kilo. = 2·205 lbs.

RETURN of Importation of Agricultural Tools during the Years 1889–91.

Articles.		1889.	1890.	1891.	Chief Country Importing in 1890.	Quantity.
Ploughs	Number ...	39,469	26,790	12,102	United States	24,409
Winnowing machines	,, ...	1,230	2,599	236	United States	2,484
Reaping machines ...	,, ...	4,088	1,045	1,382	United States	1,007
Sowing machines ...	,, ...	206	258	29	United States	213
Threshing machines...	,, ...	63	43	47	Gt. Britain...	32
Ploughshares	1,000 kilos. ...	104,720	84,306	136,251	United States	75,814
Scythes	,, ...	31,034	21,995	9,582	France ...	16,297
Rakes and hackles ...	,, ...	35,542	20,792	16,338	United States	13,029

United States has almost a monopoly here.

It will be noticed that in agricultural machines and tools the United States has practically the monopoly here. They have been pushing this trade rapidly in late years, and import vast quantities of agricultural implements which compete most successfully with British goods and have almost entirely replaced them in this market.

Local manufacture of agricultural tools.

There are numerous and extensive manufactories now in this country for machines and ironwork of an ordinary description. Ploughs and ploughshares are largely made locally also, as shown by the large decrease in imports of these and many other agricultural tools.

Importation of materials for building.

Here Great Britain occupies a prominent place, importing about three-fourths of the whole. Its imports reached over 3,000,000*l.* in 1889, and over 5,000,000*l.* in 1890.

RETURN of Materials Imported for Building during the Years 1889–91.

Destination.	Value.			Chief Country Importing in 1890.	Value.
	1889.	1890.	1891.		
	£	£	£		£
Railways	3,819,000	6,760,000	3,185,000	Great Britain ...	5,078,000
La Plata port	286,000	38,000	....	Great Britain ...	11,000
Tramways	126,000	117,000	23,000	Great Britain ...	55,000
Buenos Ayres drainage ...	87,000	81,000	117,000	Great Britain ...	74,000
Buenos Ayres port works ...	78,000	74,000	200,000	Belgium ...	36,000
Gasworks	255,000	39,000	4,000	Belgium ...	19,000
Electric light	44,000	34,000	11,000	Great Britain ...	21,000
Buenos Ayres water supply	87,000	22,000	820	Great Britain ...	14,000

Importation of metals (excluding iron).

The total value of imports of this class in 1890 was 529,000*l.*, of which lead represented 67,000*l.*; jewellery, 58,000*l.* (excluding loose stones); and worked copper and bronze, 38,000*l.*

RETURN of Chief Metals during the Years 1887–91.

Description.	1887.	1888.	1889.	1890.	1891.
	Kilos.*	Kilos.	Kilos.	Kilos.	Kilos.
Lead, unworked	951,000	869,000	1,829,000	4,789,000	61,000
Sheet tin	1,729,000	1,390,000	1,922,000	1,959,000	1,393,000
Zinc	1,695,000	1,424,000	2,782,000	1,011,000	963,000

* 1 kilo. = 2·205 lbs.

Great Britain imported nearly one-fourth of the whole of the imports under this head.

The whole value here in 1890 was 820,000*l.*, of which Great Britain imported a fourth, consisting principally of china, earthenware, lamp-fittings, &c. Importation of glass, china, &c.

This is an exceedingly important branch of the imports, considering that no coal mines worth speaking of exist in this Republic, and that woods only exist naturally in the northern parts of the country, all those in the southern portion having been imported and planted. It is believed that only one tree, the "ombu," is indigenous to this country on its vast plains, which is not often found, and is useless for any purpose except shade, being very soft. Importation of materials for fuel and lighting.

TABLE showing Imports of Material for Fuel and Lighting for the Years 1887–91.

Article.		Quantity in 1,000.					Chief Country Importing in 1891.	Quantity in 1,000.
		1887.	1888.	1889.	1890.	1891.		
Coal	Kilos.* ..	407,986	333,798	658,054	514,582	350,680	Great Britain	442,022
Coke	„ ..	1,104	2,007	2,610	1,816	2,982	„ „	1,048
Candles	„ ..	708	589	407	678	72	Belgium	292
Wooden matches	„ ..	132	46	11	103	87	Great Britain	47
Kerosene	Litres ..	13,402	14,124	18,165	16,677	10,354	United States	12,331

* 1 kilo. = 2·205 lbs.

The whole value here in 1890 for all imports under this class was 1,240,000*l.*, of which England imported 891,000*l.*

The value of these in 1890 reached 959,000*l.*, of which Great Britain imported 189,000*l.* only. Importation of miscellaneous articles.

Exports.

The exports of the Argentine Republic are, in official returns, classified under 7 heads:—

I. Products of stock-raising.
II. Products of agriculture.
III. Industrial products.
IV. Produce of woods and forests.
V. Mineral products.
VI. Products of the chase.
VII. Various articles and produce.

The proportions of the total value taken by the first three classes are shown in the following table from 1885 to 1891:—

TABLE showing Proportions of Whole Value of Exports of Produce of Stock-Raising, Agriculture, and Industries during the Years 1885–91.

Year.	Products of Stock-raising.	Products of Agriculture.	Products of Industries.	Total Percentages.
	Per cent.	Per cent.	Per cent.	Per cent.
1885	72	13	9	94
1886	76	11	9	96
1887	65	25	5	95
1888	71	16	8	95
1889	73	14	10	97
1890	61	25	9	95
1891	62	25	4	91

The products of stock-raising, therefore, form, on an average, about 70 per cent. of the total value of the exports in every year; in 1889 they reached 73 per cent., and in 1886 76 per cent. Agriculture contributes largely in late years with 25 per cent. of the total value; the average formerly was 14 per cent., excluding the exceptional year 1887 with 25 per cent. Industries only contribute some 9 per cent. to the exports, having reached their highest point in 1889 with 10 per cent. These three classes are the only exports of any importance, as is shown by the added up percentages for the three classes, being always 95 per cent. since 1886 and up to 1891, when there was a falling-off, due entirely to a lesser export of the products of industries. Exported products of stock-raising form 70 per cent. Agriculture 25 per cent. Industries 9 per cent.

Duties on exports were abolished in October, 1887; but in January, 1891, they were re-established with the object of raising the revenue, and in the hope of saving the nation's credit Duties on exports.

On products of stock raising, ad valorem duties.

abroad. Duties were levied on the same articles as before—that is to say, on the products of stock-raising, such as wool, hides, &c. The duty now levied was 4 per cent. "ad valorem." Formerly it had been 4 per cent. on wools, sheep-skins and produce of the chase, and 3 per cent. "ad valorem" on the rest. The produce of agriculture, industries, forests, and mines were left free, as formerly. This law came into force the last day of January, 1891. In view of the re-establishment of these export duties extra heavy shipments were made in January to avoid them. The result, therefore, was not so great as expected for that year.

Yield of export duties.

These export duties have always met with great opposition. Their net proceeds were as follows, to quote official figures converted to sterling:—

Year.	Amount.
	£
1885	368,000
1886	329,000
1887	280,000
1891	298,000

The value of all exports under the seven heads in the years 1889, 1890, and 1891 are here compared:—

TABLE showing the Comparison of Values of Exports during the Years 1889–91.

Description	1889.	1890.	1891.	Increase or Decrease in 1890.	Increase or Decrease in 1891.
	£	£	£	£	£
Stock-raising	13,722,000	12,163,000	12,718,000	− 1,559,000	+ 555,000
Agriculture	2,005,000	5,077,000	5,266,000	+ 3,072,000	+ 189,000
Industries	1,268,000	1,785,000	839,000	+ 517,000	− 946,000
Forests	110,000	280,000	425,000	+ 170,000	+ 145,000
Minerals	52,000	133,000	268,000	+ 81,000	+ 135,000
Chase	62,000	68,000	170,000	+ 4,000	+ 102,000
Various	342,000	493,000	790,000	+ 151,000	+ 297,000
Total	17,885,000	20,003,000	20,479,000	+ 2,118,000	+ 476,000

In last two years exports from stock-raising almost stationary, agriculture rapidly increasing.

In 1890 all exports showed an increase in value except the products of stock-raising, which fell off considerably; in 1891 they all expanded somewhat in value, except the products of industries which are mostly derived from stock-raising also. Hence we see stock-raising and its products seem more or less to have remained stationary the last two years, while agriculture shows an immense advance in 1890, the value of its products being more than double that of 1889.

TABLE showing the Exportation of Products of Stock-raising for the Years 1887–91.

Description.		1887.	1888.	1889.	1890.	1891.
Cattle	Number ...	70,000	94,000	139,000	150,000	171,000
Sheep	,, ...	29,000	22,000	19,000	50,000	114,000
Horses and mares	,, ...	3,000	6,000	5,000	29,000	10,000
Cattle hides, dried	,, ...	2,508,000	2,609,000	2,424,000	3,053,000	2,678,000
,, salted	,, ...	699,000	797,000	966,000	1,294,000	1,262,000
Horse hides, salted	,, ...	209,000	208,000	156,000	173,000	250,000
,, dried	,, ...	115,000	49,000	40,000	54,000	97,000
Wool, unwashed ...	Kilos. ...	109,164,000	131,743,000	141,774,000	118,405,000	138,605,000
Sheep skins ...	,, ...	30,447,000	28,054,000	36,378,000	27,148,000	24,169,000
Horsehair	,, ...	1,971,000	2,019,000	1,794,000	2,324,000	2,341,000
Cattle horns ...	,, ...	1,426,000	1,683,000	1,756,000	2,289,000	2,428,000
Hoofs	,, ...	1,180,000	1,613,000	1,488,000	1,822,000	1,784,000
Goat skins	,, ...	766,000	770,000	1,045,000	1,462,000	963,000
Kid skins	,, ...	388,000	553,000	369,000	502,000	382,000

In 1890 153,000 kilos. were exported, of which England only took 8,000 kilos. Of the units it only took one-ninth. Foreign countries other than Great Britain absorb the bulk of this class of exports. France takes 55,000,000 kilos. of unwashed wool, and 19,000,000 sheepskins. Of the cattle-hides the dried ones go chiefly to the United States, salted ones to Belgium. Germany absorbs almost the whole export of horse-skins. Great Britain takes most of the live sheep and of the cattle-horns only; Uruguay the live cattle; Brazil the horses. Nearly all the goatskins go to the United States, and hoofs to Belgium.

Great Britain takes very small portion of exports. France takes most.

1891 shows an increase in wool, exportation of cattle horns, horse hides, and live cattle and sheep only; the rest fell off.

TABLE showing the Exportation of Products of Agriculture for the Years 1887–91.

Articles.	1887.	1888.	1889.	1890.	1891.
	Kilos.	Kilos.	Kilos.	Kilos.	Kilos.
Maize	361,000,000	162,000,000	432,000,000	707,000,000	65,000,000
Wheat	237,000,000	178,000,000	22,000,000	327,000,000	395,000,000
Linseed	81,000,000	40,000,000	28,000,000	30,000,000	12,000,000
Hay	12,000,000	9,000,000	20,000,000	19,000,000	30,000,000

Of the total exports under this head, amounting to over 1,000,000 kilos. in 1890, Great Britain took two-fifths and 340,000,000 kilos. of maize, 128,000,000 kilos. of wheat, and 14,000,000 kilos. of linseed. Hay went mostly to Brazil, barley to Germany, potatoes to Uruguay, and maní to France. Wheat prospects appear good for the Argentine Republic, as the crops in other parts of the world do not seem to be so abundant as last year, and here a fair crop is expected.

Wheat prospects for Argentine Republic.

The chief exports of Argentine industries are here briefly given :—

Exportation of products of industries.

TABLE showing the Comparison of Products of Industries for the Years 1887–91.

Articles.	1887.	1888.	1889.	1890.	1891.
	Kilos.*	Kilos.	Kilos.	Kilos.	Kilos.
Jerked beef	23,984,000	26,637,000	41,767,000	43,481,000	39,635,000
Tallow and fat ...	7,169,000	14,802,000	18,319,000	17,361,000	20,725,000
Wheat flour	5,401,000	6,392,000	3,360,000	12,017,000	7,015,000
Meat extract	37,000	64,000	52,000	187,000	104,000
Animal oil	131,000	130,000	97,000	97,000	71,000

* 1 kilo. = 2·205 lbs.

Besides these, taking the year 1890, there were 741,000 kilos. of preserved tongues, 474,000 kilos. of salted tripe, and 161,000 kilos. of glycerine exported. Another large item was 662,000 kilos. of frozen cattle. The frozen sheep export trade has developed immensely, from 12,000 carcases in 1887 to 20,000 carcases in 1890. Of exports under this head England took about one-fourth, and Brazil took half the jerked beef exported in 1890. Great Britain took most of the tallow, fat, preserved tongues, preserved meat, all the frozen cattle, and nearly all the frozen sheep.

Export of frozen sheep.

"Quebracho," a hard wood, is the only wood of importance exported; 35,000,000 kilos. and 217,000 square metres were exported in 1890, which was chiefly absorbed by England.

Exportation of products of forests.

Great Britain took one-half of all the mineral produce of this country, which was small, amounting only to 944,000 kilos. in all, chiefly silver ore.

Exportation of products of mines.

Mines exist in many of the provinces and territories, but have never been of importance commercially. Rioja is the principal mining province, with copper mines and some silver. Coal has been found there. In the other provinces copper is the chief product, gold, silver, iron, lead, and lignite being found.

The existence or not of coal in the Republic is one of importance to its future. Coal (really lignite) has been found in the provinces of Rioja, San Juan, and Mendoza, and in Tierra del Fuego. But, so far, it has not been worked satisfactorily, and in some places doubts are entertained of its quality. In the lower part of the Chilian coast coal good enough for coaling purposes of steamers is found, and a few cargoes have lately been sent round from there to the south of the province of Buenos Ayres, for fuel as an experiment.

Coal found in Republic.

Petroleum has been found in the province of Mendoza, and borings sunk 300 feet to 650 feet were successful in producing a good supply. A petroleum company there laid down pipes to the nearest railway station, and the petroleum has been used as fuel to drive the engines on the Great Western Railway. The total yield is only small.

Petroleum wells near Mendoza.

Of products of the chase exported "nutria" skins (used for fur trimmings, muffs, &c.) and ostrich feathers are of small

Exportation of products of the chase.

importance and value. Of the former 429,000 kilos., and of the latter 32,000 kilos. were exported in 1890.

Of the miscellaneous articles exported bones and bone-ash is an immense trade, amounting to 38,000,000 kilos. in 1891; old iron reached 7,000,000 kilos., maní cakes 532,000 kilos., linseed cakes 517,000 kilos. Most of these went to Great Britain, but old iron chiefly to the United States, and maní cakes to France. Exportation of various articles.

Argentine Trade in 1892.

The official trade returns for the first six months of this year, 1892, as compared with the corresponding six months of 1891, show a considerable increase in every respect, namely, of 14 per cent. in imports, and of 7 per cent. in exports. The total values compare thus:— Argentine trade in 1892.

TABLE showing Total Values of Argentine Trade for First Six Months of 1891 and 1892 compared.

	In 1,000*l.*		
	First 6 Months of 1891.	First 6 Months of 1892.	Increase or Decrease.
	£	£	£
Imports, general	6,587	7,519	+ 932
Exports „	12,321	13,134	+ 813
Total	18,908	20,653	+ 1,745
Imported bullion	942	1,200	+ 258
Exported „	206	27	— 179

It may here be noted that it is doubtful if these figures as to the importation and exportation of bullion are of much value statistically.

The increase of trade in 1892 is highly satisfactory as compared with 1891, and shows that the effects of the crisis are dying away gradually. Increased trade in 1892.

TABLE showing the Values of Principal Classes of Imports for First Six Months of 1891 and 1892 compared.

Classes of imports.	In 1,000*l.*		
	First 6 Months of 1891.	First 6 Months of 1892.	Increase or Decrease in 1892.
	£	£	£
Railway materials	1,696	359	− 1,337
Woven and spun goods ..	1,652	2,642	+ 990
Alimentary substances ..	751	1,299	+ 548
Hardware	440	704	+ 264
Coal	380	575	+ 195
Wines, &c.	377	494	+ 117

Excluding railway material, value of imports increased 50 per cent.

Deducting railway materials, the value of the whole import trade has increased nearly 50 per cent.

The returns for exports for the similar periods in 1891 and 1892 stand thus :—

VALUE of Principal Articles of Export for the First Six Months of 1891–92.

Articles.	In 1,000*l.*		
	First 6 Months of 1891.	First 6 Months of 1892.	Increase or Decrease, 1892.
	£	£	£
Wool	6,626	6,170	− 456
Hides and skins..	1,607	1,765	+ 158
Grain	1,666	2,619	+ 953
Meat	1,051	1,230	+ 179
Lumber	218	99	− 119
Linseed	59	456	+ 397
Minerals..	59	79	+ 20

Increase in exports of 7 per cent. over 1891.

The value of exports has increased nearly 7 per cent. this year as compared with 1891. There is a large decrease in export of wool, and a small one in exportation of lumber. The joint value of other articles not mentioned above has, as a whole, fallen off a good deal, but their total value is small. The exportation of grain and linseed has greatly increased; of hides and meat somewhat; and of minerals a little.

Increase of export of grain and linseed.

As before mentioned, quantities are the only real criterion of this country's trade. The quantities of some of the chief articles of import and export are, therefore, now stated in tons :—

TABLE showing Comparison of Chief Imports for the First Six Months of 1891–92.

Articles.		First 6 Months of 1891.	First 6 Months of 1892.	Increase or Decrease, 1892.
Wine	Gallons	3,630,000	4,840,000	+ 1,210,000
Kerosene	„	1,220,000	2,210,000	+ 990,000
Coal	Tons	169,000	255,000	+ 86,000
Wire	„	10,100	18,500	+ 8,400
Iron	„	7,600	16,500	+ 8,900
Yerba maté	„	7,600	11,100	+ 3,500
Sugar	„	6,000	13,500	+ 7,500
Rice	„	5,800	7,200	+ 1,400
Paper	„	1,250	1,450	+ 200
Coffee	„	450	1,170	+ 750
Tea	„	110	370	+ 260

The increase of all articles in the above table is considerable, and arranged in accordance with the importance of their increase stand as follows for the six months:—

TABLE showing Percentages of Increase of Imported Articles for the Year 1892.

Articles.	Increase.
	Per Cent.
Tea	236
Coffee	166
Sugar	126
Iron	113
Wire	83
Kerosene	80
Coal	51
Yerba maté	46
Wine	33
Rice	24
Paper	16

The importation of tea has increased enormously, and coffee, sugar, and iron have more than doubled.

Tea increased 236 per cent.; coffee, 166 per cent.; sugar, 126 per cent.

TABLE showing Comparison of Chief Exports for the First Six Months of 1891–92.

Articles.		First 6 Months of 1891.	First 6 Months of 1892.	Increase or Decrease, 1892.
Wheat	Tons	266,000	362,000	+ 96,000
Wool	,,	111,400	103,600	— 7,800
Maize	,,	26,000	119,000	+ 93,000
Beef	,,	19,300	35,100	+ 15,800
Hay	,,	16,200	14,700	— 1,500
Mutton	,,	11,200	12,500	+ 1,300
Tallow	,,	11,100	15,100	+ 4,000
Sheepskins	,,	9,800	11,300	+ 1,500
Linseed	,,	5,600	37,800	+ 32,200
Cowhides	Number	1,850,000	1,720,000	— 130,000
Live cattle	,,	112,000	60,000	— 52,000
Live sheep	,,	61,000	28,000	— 33,000

Exportation of wool.

The export of wool was considerably less; cowhides and hay showed some decrease; also a large decrease for exportation of live cattle (chiefly in the trade to Chile), and also of live sheep.

The percentages of increase and decrease for these exports in order of their importance is interesting.

TABLE showing Percentages of Increase or Decrease of Exports during the Year 1892.

Articles.		Per Cent.
Linseed	Increase	575
Maize	,,	357
Beef	,,	81
Wheat	,,	36
Tallow	,,	36
Sheepskins	,,	15
Mutton	,,	11
Live sheep	Decrease	54
,, cattle	,,	46
Hay	,,	9
Wool	,,	7
Cow hides	,,	7

Increase of export of linseed 575 per cent., of maize 357 per cent., of beef 81 per cent. Estimate of value of total exports in 1892.

The exportation of linseed has increased enormously, as also that of maize. Beef, wheat, and tallow also increased considerably. Live cattle decreased some 50 per cent., and wool 7 per cent.

It may be of some interest to quote here two unofficial estimates of the total exports for 1892, the first being that of an English local paper, the "Standard," and the second that of a German paper in Buenos Ayres called the "Handels Zeitung."

"STANDARD'S" Estimate of Exports during the Year 1892.

Description.	Amount.		Total.
	£		£
Tillage products	16,420,000	Surplus for export	5,500,000
Home consumption ..	10,920,000		
Pastoral products	21,700,000	" "	12,000,000
Home consumption ..	9,700,000		
Total surplus for export	..	..	17,500,000

"HANDELS Zeitung's" Estimate of Exports during the Year 1892.

Articles.	Quantity.	Value.	Total.
Tillage products—	Tons.	£	£
Wheat	450,000	2,700,000	
Maize	450,000	1,620,000	
Linseed	40,000	320,000	
Hay	50,000	100,000	
Flour	12,000	120,000	
Sundries	..	190,000	
			5,050,000
Pastoral tillage—			
Wool	152,000	8,030,000	
Skins and hides ..	..	3,840,000	
Meat	..	1,800,000	
Tallow	..	800,000	
Sundries	..	1,680,000	
			16,150,000
Total	..	..	21,200,000

VI.—*Finance.*

Finance. A report on the economic position of the Argentine Republic would be most incomplete without dealing with its financial situation, and the original plan of this report proposed to bring this subject up to date since Mr. Herbert's complete report in 1891 on the "Financial Condition of the Argentine Republic," No. 1,000, Annual Series. But finding that Mr. Findlay has just sent home a report, completing this subject according to the official "Memoria" of Mr. Hansen, late Finance Minister, on the finances, revenue, taxes, duties, &c., and presented to the National Congress in 1892, I cannot do better than refer the reader to that report (No. 1140 Annual Series) for the latest information on that subject, merely mentioning here a few figures, as given by Mr. Findlay, to show the enormous amount of the nation's debt in 1892:—

TABLE showing the Total Debt of the Argentine Nation during the Year 1892.

Description.	Amount.
	£
National External Loans	33,770,930
„ Railway Guarantees	16,000,000
„ "Cedulas"	8,006,740
Provincial Loans	26,461,370
„ "Cedulas"	14,994,278
Municipal Loans	5,891,660
Total	105,124,978

The above sum does not include the internal floating debt, paper currency, or guarantees to local industries.

Annual service on Debt 7,767,000*l.* Increase of National Debt.

The annual service on the above debt is 7,767,000*l.*, without reckoning the sinking fund. Taking the population at 4,000,000, the debt per inhabitant is over 25*l.* per head—a very high figure.

The increase of the National Debt, according to Government statistics in 1892, has been 48,000,000*l.* in the last six years. It only stood at 9,425,000*l.* in 1870. The National Debt and revenue are compared as follows:—

TABLE showing National Debt and Revenue Compared according to Argentine Statistics for the Years 1870–91.

Year.	National Debt.	Revenue.
	£	£
1870	9,425,000	3,041,000
1875	16,443,000	3,527,000
1880	17,125,000	4,017,000
1885	23,488,000	5,674,000
1889	58,563,000	7,054,000
1890	70,587,000	5,805,000
1891*	73,865,000	4,107,000

* This includes internal debt in paper 2,405,000*l.*

Since 1889 revenue declined and debt increased.

Since 1889 the revenue has declined, while the National Debt has increased. It was mentioned before that the service on the whole debt (including "cedulas" and municipal loans) was 7,767,000*l.*, or nearly double the revenue of the Republic in 1891. Comparing the years 1870 and 1891, we find the revenue has only increased 35 per cent., while the population has probably increased 110 per cent. in that period. The revenue per inhabitant to-day is about 1*l.*, whereas in 1870 it was about 1*l.* 12*s.*

Revenue per inhabitant 1870 and 1891 compared.

Table of Weights and Measures.

1 kilogramme	.. ..	= 2·2046 lbs. avoirdupois.
1 litre	.. .. ..	= 0·22 gallon, or nearly ¼ quart.
1 hectare	.. .. ..	= 2·471 acres.
1 kilometre	.. ..	= 0·62138 mile.

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1893.

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No. 1161.

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ARGENTINE REPUBLIC.

REPORT FOR THE YEAR 1892

ON THE

TRADE, AGRICULTURE, AND IMMIGRATION OF THE PROVINCE OF SANTA FÉ.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1028.

Presented to both Houses of Parliament by Command of Her Majesty,

APRIL, 1893.

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Reference to previous Report, Annual Series No. 1028.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Consul Bridgett to the Earl of Rosebery.

My Lord, *Buenos Ayres, January* 30, 1893.

I HAVE the honour herewith to transmit to your Lordship a Report on Trade, Agriculture, and Immigration for the past year in the Province of Santa Fé, Argentine Republic, prepared by Vice-Consul Mallet of Rosario.

I have, &c.

(Signed) RONALD BRIDGETT.

Report on the Trade, Agriculture, and Immigration of the Province of Santa Fé for the Year 1892.

ABSTRACT of Contents.

	PAGE
Introductory	2
Revenue of Rosario custom-house	2
Exports from Rosario	3
Agriculture	4
Exports of wheat	5
Wheat crop, 1892-93	6
Grain tax	6
Shipping (Rosario)	7
Martin Garcia Bar	8
Immigration	9
Baron Hirsch's colonisation scheme	10
Crime	12
Administration of justice	14
Sailor's home	14
Salvation Army	14
Hours of labour	14
Gold premium	14
Price of provisions	15
Price of animals	15
Rents	16
Wages	16
Price of land	17
Clothing	18
Taxes	18
Schools	18
British capital	18
Advice to emigrants	18
Provincial finances	19
General remarks	21
Summary	22

Introductory.

As predicted in my report for 1891 there has been considerable improvement in all branches of trade, as shown by the figures given below, which have been compiled from data collected from the most reliable sources. The good results of the crops of that year were so advantageous to farmers that a much larger area of land has been cultivated during the past year, and the business transactions in agricultural machinery and implements have been larger than in any previous year. Owing to the demand for machinery during 1891, most of the big firms imported a large stock, but even with this provision the demand has been so great that the stock is again exhausted.

No better barometer of the general improvement in trade can be found than comparing, during the last 3 years, the custom-house returns, which are as follows:—

REVENUE of Rosario Custom-house.

Year.	Currency.
	Dollars.
1890	3,859,805
1891	4,848,129
1892	8,948,487

Comparison with 1891 favourable.

The above figures compare favourably with 1891, but then it must not be overlooked that the duties in 1892 have been payable all in gold, whereas in 1891, from May, they were payable half in gold and half in currency, but, even so, the increase is notable, taking into consideration the difference in the premium of gold during the two years. It may also be mentioned that, owing to the new custom-house decree, increasing the duties on certain articles, coming into force early in 1893, caused merchants to despatch a large quantity of their goods in deposit, thus doubtless causing an increase in custom-house receipts. There is, no doubt, that confidence is being restored, and that the crisis may be considered at an end.*

* See heading "Gold Premium," page 14, as to fluctuation in value of currency dollar.

TABLE of Exports (Rosario only) during the Years 1891–92.*

Articles.		Quantity.	
		1891.	1892.
Dry hides (ox and cow) ..	Number ..	848,717	857,890
Salted hides	„ ..	50,896	51,945
Hide cuttings	Bales ..	784	356
Wool	„ ..	19,208	18,587
Sheep-skins	„ ..	1,184	1,213
Goat-skins	„ ..	1,759	2,029
Hair	„ ..	1,185	1,385
„ cuttings	„ ..	10	356
Nubia skins	„ ..	49	8
Chinchilla hides	„ ..	..	..
Wheat	Tons ..	144,089½	252,834
Maize	„ ..	680½	36,351
Linseed	„ ..	2,291½	11,142
Bran	„ ..	1,997½	5,727
Flour	Bags ..	7,447	42,256
„	Tons ..	1,467½	2,522
Barley	Kilos. ..	..	600
Hay (lucerne)	Bales ..	446,023	588,739
Raisins	..	..	..
Salt	Tons ..	34	10
Wax	Casks ..	485	217
Honey	„ ..	337	203
Borax	Bags ..	9,402	4,889
Pea nuts	Tons ..	7	43
„ „	Packages ..	641	..
Tallow	Pipes ..	607	306
Jerked beef	Bales ..	4,302	..
„ „	Tons ..	7	..
Quebracho wood	„ ..	12,835	3,911
Empty casks	Number ..	602	..
Old iron	Tons ..	304	0½
Bones	„ ..	15,397	8,510
Bone ash	„ ..	1	74
Horns	„ ..	540½	312
Copper bars	Bars ..	4,051	6,017
„	Tons ..	29	43
Tin	Bars ..	16	..
Lead	„ ..	7,978	1,931
„	Tons ..	54	133
Silver	Packages ..	1,184	366
„	Tons ..	2	..
Live oxen	Number ..	180	2
„ mules	„ ..	892	33
Carpincho skins	„ ..	669	..
Cedar wood	Tons ..	500	..
„ beams	Number ..	8,217	749
Feathers	Cases ..	602	131
„	Tons ..	1½	1½
Spirit	Casks ..	1,019	..
Lard	Tons ..	700	..
Bricks	Number ..	200,000	..
Quebracho extract	Cases ..	2,117	4,900
„ „	Casks ..	..	2,000
Horses	Number ..	41	..
Sheep	„ ..	200	2,096

* This table has been compiled from the reliable circular issued monthly by Mr. William Printzeshold, ship broker, of this city.

TABLE of Exports (Rosario only) during the Years 1891–92 —continued.

Articles.		Quantity.	
		1891.	1892.
Maté	Bags ..	10	..
Potatoes	„ ..	..	2,056
„	Tons ..	..	19½
Biscacho skins	Bales ..	..	14
Quebracho sleepers	Number ..	..	30,000
Gold mineral	Packages ..	..	186
Tobacco	Bales ..	..	270
Cement	Cases ..	..	20
Cedar and Quebracho beams	Number ..	..	1,232
Holly wood	Logs ..	..	159
Claws	Tons ..	..	28½
Railway material	Cases ..	..	624
Hooves (hoofs)	Tons ..	..	11¼
Shin bones	„ ..	..	24

The above only refers to produce shipped at Rosario port and does not include the large amount of produce carried away by rail to Buenos Ayres, &c., for shipment, and statistics of which it has been impossible to obtain. On comparing the foregoing it will not be noticed that during the past year there has been a considerable increase in the exports of the following principal products, &c.: maize, wheat, linseed, and hay (lucerne).

Agriculture.

Wheat is the principal product of this province, and each year shows a larger area of land under cultivation. The results of the harvest of 1891–92 were very satisfactory as regards quantity, and quality was fairly good. Although the harvest was most favourable to growers, merchants and dealers suffered severe losses, owing to heavy speculation during the first part of the season, both in purchases of grain and in chartering of vessels in anticipation of a demand for grain at high prices in Europe, when the contrary occurred.

TABLE showing the Exports of Wheat from the Port of Rosario during the undermentioned Years.

Month.	Quantity.	
	1892.	1891.
	Tons.	Tons.
December	412*	193†
January	13,000	16,600
February	37,835	32,071
March	54,364	36,200
April	42,831	30,858
May	30,600	12,304
June	15,773	4,706
July	17,201	3,227
August	17,576	3,106
September	5,195	3,377
October	1,859	1,133
November	8,188	529
December	8,000	412
Total	252,834	144,716

* December, 1891. † December, 1890.

To above must be added about 50,000 tons, shipped from other ports of the province, and 10,000 tons of flour equal to 13,000 tons of wheat. A considerable quantity of grain found an outlet by rail to Buenos Ayres, statistics of which it has been impossible to obtain, but the total export of wheat from the province of Santa Fé may safely be set down at about 400,000 tons, which is not far from the estimate anticipated in my last report.

The system of shipping part cargoes of wheat in bulk is now being adopted.

The following table shows the average value of wheat in paper currency in each month during the season, together with the average rates of premium on gold, exchange, steamer freights and also the average value of cargoes:—

Year and Month.	Average Price per 100 Kilos.	Average Price of 100 Gold Dollars.	Average Exchange.	Average Steamship Freight.	Average Value of Cargoes.
	Dol. c.			£ s.	£ s. d.
1891—					
December	12 65	376	49¼	1 9	1 19 9
1892—					
January	12 35	380	48¾	1 8	1 17 6
February	12 05	365	48¼	1 6	1 17 3
March	10 70	346	48¼	1 4	1 14 9
April	9 25	341	48¼	1 3	1 12 6
May	9 10	330	48⅝	1 4	1 11 3
June	8 20	317	47¾	1 1	1 12 0
July	8 90	324	47⅞	0 19	1 10 0
August	9 30	326	47⅝	0 16	1 8 6
September	9 20	327	48	0 16	1 8 0
October	8 50	318	48	0 15	1 8 6
November	7 25	290	47⅞	0 15	1 8 0
December (first fortnight) ...	7 00	282	47⅝	0 15	1 7 0
General average	9 55	332·50	48	1 1	1 12 0

As regards the wheat crop of 1892–93 it is estimated that the amount for export for the whole country will be 650,000 tons, of which the province of Santa Fé will contribute at least 420,000 tons.

The yield of grain in many colonies in this province is 50 per cent. more than last year—the quality is superior to last year—and but for exceptionally dry weather and late frosts, having caused considerable damage to the crop in some of the colonies, the foregoing figures would have been considerably increased. This year's crop is without doubt the largest on record.

Although the season is advanced, wheat buyers have shown little inclination to purchase, notwithstanding that prices are much lower than last year and freights more favourable. As already stated buyers of wheat suffered severe losses last season, and the natural consequence is, that this year they are acting with great caution.

It is anticipated that, with the large amount that must eventually go forward and the shyness of purchasers, the crop will be shipped late, and that consequently there will be employment for vessels up to the end of the year. The season, as stated, has been most favourable, upon the whole, to farmers. Maize growers, however, have suffered a partial loss of their crops from the drought and locusts. The latter has been a great plague, appearing in greater numbers than in previous years, but fortunately came too late to do damage to the wheat.

Grain Tax.

On November 27, 1891, the Provincial Government of Santa Fé passed a law creating a grain tax on wheat and linseed. The following is a translation of the law:—

Provisions. Art. 1. Any transaction in wheat and linseed, effected in this province, shall pay only once a tax of national money, legal currency 10 c. per 100 kilos. of wheat; 10 c. per 100 kilos. of linseed.

Art. 2. Any concealment or inexact declarations, made with the object of evading the payment, will be punished with a fine amounting to a decuple of the value of the tax.

Art. 3. Let it be communicated to Chamber of Sessions, Santa Fé, November 27, 1891.

This tax was estimated to produce 1,500,000 dol., but owing to the difficulty experienced in its collection, the Government decided to auction the privilege of collecting the tax, obtaining 300,000 dol. currency for it.

The purchasers, protected by the Government, immediately took steps for its collection. The law not being explicit as to whom the tax was to be collected from, on the refusal of the grain grower, purchaser, and exporter to pay it, most arbitrary measures were adopted to enforce payment. The large exporting firms, who had purchased heavily, energetically opposed the tax as being unconsti-

tutional, and were supported in this by the Federal judge of this city. The matter has been for some time before the Supreme Court of Justice in Buenos Ayres, and although most important to agricultural interests, no sentence has been given, and the delay has caused a bad impression.

Without waiting for the decision of the Supreme Court as to the tax being in accordance with the Constitution, the Provincial Government on 3rd instant issued a new law by which the "producer" has to pay the tax, and failing him the "holder" of the grain. The thresher is to keep a record of the quantity threshed, and for whom, and the local authorities are charged with the collection. The wording of the new law is, like the previous one, very ambiguous, and will cause many questions to arise. As an instance, it will be sufficient to cite a case of the collectors trying to get the tax out of a shipper under the clause empowering them to collect the tax from the "holder," the shipper having already placed the wheat on board the steamer. To collect in this case would be contrary to the Constitution by imposing an export tax.

Up to 10 per cent. of a farmer's produce will be exempt from taxation, that percentage being allowed for seed.

The decision of the Supreme Court regarding this tax is anxiously awaited; and, if delayed, it is the general opinion that serious difficulties will arise.

Shipping.

Increase.

The following data relating to this port shows the growing commerce with foreign countries. Formerly vessels bringing cargoes often had to leave in ballast, whereas now, owing to the development of agriculture, return cargoes are easily obtained, and this, in spite of the numerous steamship lines of various nationalities at present trading with this port. The increasing trade between this port and Brazil, both for steamers and sailing vessels, is deserving of notice.

MOVEMENT of Exterior Shipping in the Port of Rosario.

ENTERED IN 1892.

Nationality.	Steam.		Sailing.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Great Britain	174	253,288	73	22,428
Norway	..	..	73	38,254
Germany	54	74,763	16	7,283
Italy	19	29,366	35	16,236
United States	..	..	47	29,074
Holland	..	..	5	1,167
Sweden	..	..	15	5,797
Denmark	..	..	8	3,217
Brazil	..	..	2	617
Spain	3	3,508	4	1,671
Austria	2	2,530	6	3,274
Greece	..	..	1	388
Uruguay	..	..	2	450
Argentine	..	..	14	8,073
France	10	14,935	3	1,597
Total	262	378,390	304	139,526

ENTERED IN 1891.

Nationality.	Steam.		Sailing.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Various	322	384,001	208	56,245

Comparing above figures with previous years, it is noticeable that Norwegian and German vessels are doing a steadily increasing trade.

Statistics of the coasting trade are not yet published, but it may be anticipated that they compare favourably with last year.

Martin Garcia Bar.

Greater facilities for shipping.

The most important event of the year for this district was the discovery of a new channel, giving entrance to the River Parana. It is situated towards the Uruguay side of the river, and is said to have permanently 2 feet more depth than the old channel of Martin Garcia. Vessels have passed over the new channel without difficulty, drawing over 19 feet, and it is stated that, at a small outlay in dredging, which the National Government is

attending to, the channel can be deepened to allow the passage of vessels drawing 21 feet. The minimum depth of water at low tide is 15 feet, against 12 feet in the old channel. The saving to vessels that were formerly detained at the old bar for days, and even weeks, waiting for the river to rise, and not unfrequently having to lighten, is very important, as in the month of June last only, which is not the busy season for shipping, it is calculated that the economy in time to large vessels was equivalent to 780 days of navigation.

When this channel is properly opened it will greatly benefit the commerce of Rosario and interior provinces, especially facilitating the increasing exports.

The river has been unusually low during the past three months, causing serious detention to shipping, but there is no doubt it will soon return to its usual level, as the floods take place in the months of January to April.

Immigration.

TABLE showing the General Movement in the Argentine Republic of Passengers and Immigrants Arrived directly from Europe and Montevideo during the Year 1892.

Month.	Arrivals.	Departures.	Difference.
	Number.	Number.	Number.
January	5,983	3,991	— 1,992
February	6,293	5,447	— 846
March	6,548	5,551	— 997
April	5,651	5,888	+ 237
May	5,955	7,282	+ 1,327
June	5,844	4,970	— 874
July	6,999	4,882	— 2,117
August	7,150	4,207	— 2,943
September	8,110	2,968	— 5,142
October	9,786	2,954	— 6,832
November	14,049	3,140	— 10,909
December	11,130	4,002	— 7,128
Total	93,498	55,282	..

COMPARATIVE TABLE.

	Arrivals.	Departures.
	Number.	Number.
In 1891	73,597	90,936
1892	93,498	55,282
In favour of 1892	+ 19,901	..
„ 1891	..	+ 35,654

The number of immigrants entered at the Immigration Office in Rosario during 1892 is as follows :—

Nationality.	Males.	Females.
	Number.	Number.
Argentine	1	..
Italian	2,840	1,720
Spanish	268	153
French	89	37
German	38	7
Austrian	25	11
Swiss	11	3
English	39	37
Russian	26	28
Various nationalities	8	..
Total	3,343	1,996

The above figures compare favourably with the two previous years, thus showing that the tide of immigration is again setting in.

This Consulate is still called upon from time to time to place some of the old immigrants brought out in the "Dresden" and "München" in 1889, and who, since the failure of the "Naposta" Colony, have been changing from province to province. There are some few of them quite useless, and there is no doubt that that unfortunate selection of British immigrants has done much to prejudice people against employing them.

All new arrivals (British) invariably call at this office for information.

Baron Hirsch's Colonisation Scheme.

Jews.

Early in 1891 the first batch of Russian Jews arrived in this province, 220 persons, including women and children. The colony where these people have been settled is situated some 15 kiloms. from Palacios Station on the Buenos Ayres and Rosario Railway (Sunchales Extension), and formed part of the colony of that name until selected and purchased by Baron Hirsch's agent, Dr. Loewenthal, under the title of "The Agricultural Co-operative Society." The colony has been named "Moïses Ville"; its extension is 180 lots of 100 hectares, divided into concessions of 25 hectares, and is one of several tracts of land which have been selected in this country for Baron Hirsch's colonisation scheme.

Of 2,850 Jews, principally from Russia arrived during the year 1891, 462 have been settled on this colony. Some 90 huts, built of mud ("adobe") with thatched roofs and earthen floors, scantily furnished, scattered in a semicircle about 30 metres apart, constitute their present dwellings. A committee of four administer the colony. Land is allotted to the Jews in concessions valued at 1,000 dol. currency (about 66*l.* at present exchange) on 6 years' purchase, with 8 per cent. interest, this being increased to 12 per cent. in the event of their not paying for it within the stipulated time. Food, implements, bullocks for ploughing, seed, &c., are supplied; this disbursement to be recovered from them when they are in a position to reimburse it from their crops. Their language is Russian and German, but Spanish is spoken by many and understood by most of them. Although they appear to adapt themselves to the customs of the country, they nevertheless strictly preserve their traditional habits among themselves, and their Rabbi is said to have considerable influence with them. In November, 1891, a second batch, consisting of 65 families and 20 men, numbering 242 persons in all, arrived at the colony, but owing to the scanty preparations for the reception of so many they experienced some hardships, and for want of materials, implements, bullocks, &c., they could not get to work, the result being that discontent was for a time very rife among them, causing many to desert to the neighbouring colonies, where they worked with the Italians, and after a good harvest, and due to their strict economy, some have saved sufficient to rent land and start sowing on their own account. It has also happened that some of the Jews have proved quite unfit for the work they contracted for; these are being weeded out and sent back to Europe, whilst others are arriving to replace them.

Both the National authorities and public are watching with considerable interest the establishment of these Jewish colonies, but so far the opinion as to the benefit, or otherwise, to the country of this class of immigration is undecided, and is still discussed by the press. There is little doubt the ultimate success of the enterprise depends on its being properly administered, more especially as regards the selection of the people.

It is said that the National Government is adopting stringent measures to prevent the embarkation or landing of those Jews who cannot prove a trade, or are sickly, as former experience has shown the inconvenience of having the cities overrun with people who have no profession.

At the present time, owing to the low price of land and the quantity offering, purchasable in depreciated currency, it is without doubt a most favourable opportunity for an enterprise of this class, and even should it prove unsuccessful or be upset by public animosity against so large an influx of Hebrews, not improbable, if, as stated, great care be not taken in the selection.

The increased value of the large tracts of land purchased by the Baron will, when the country rights itself, and the currency

improves, probably fully compensate the outlay. On the other hand, if the scheme is successful, and there is no reason it should not be if properly handled, while providing a prosperous home and future for his co-religionists, the investment will prove a mine of wealth.

A synagogue and schools are to be built, and with various other improvements contemplated "Moïses Ville" may become an important centre.

Baron Hirsch's envoy, Colonel Goldsmid, is now in this country inspecting and making further arrangements for the establishing of Hebrew colonies.

Crime.

Increase.

Crime has reached terrible proportions all over the country, but more especially in this province, as statistics show that it has more than doubled during the past 2 years. Rosario, the second city in importance of the Republic, has obtained for itself the name of the "City of Crime," and with reason, as the local criminal jail holds no less than 52 prisoners for murder, and this where statistics show that only 40 per cent. of criminals are captured, of which at least one-half are liberated or escape. Murder and robbery are almost of daily occurrence, not only in the towns, but in the country, where formerly such occurrences were very rare. Several foreiguers, principally Italians, have been murdered and robbed, and the colonists are, with reason, alarmed at the increasing rate of crime, and the insecurity of life and property.

No capital punishment.

It is now some 15 years since the penalty of death has been enforced, and there is little doubt if a few criminals were executed it would have the required effect.

Press desire reform.

The public press is calling on the Government to adopt severe and urgent measures to correct this state of things.

The following table shows the crimes, &c., in Rosario during the year 1892, the particulars having been obtained from an official source :—

TABLE showing the Crimes, &c., in Rosario during the Year 1892.

Months.	Minor Offences.	Robbery.	Swindling.	Slight Wounds.	Serious Wounds.	Murder.	Abuse of Confidence.	Other Crimes.	Total.
January	445	35	5	19	4	2	..	1	511
February	441	20	2	6	7	1	..	30	507
March	526	29	2	9	7	1	..	53	627
April	465	21	3	7	8	2	2	47	555
May	486	23	2	10	12	5	..	74	612
June	475	9	2	8	3	3	..	32	532
July	453	33	3	9	7	6	..	79	590
August	526	36	6	10	9	5	1	36	629
September	468	22	6	8	9	4	1	25	543
October	603	30	1	13	9	4	..	62	722
November	649	23	1	6	4	10	1	34	728
December	558	37	3	8	14	9	1	69	699
Total	6,095	318	36	113	93	52	6	542	7,255

Administration of Justice.

There is room for considerable improvement in the administration of justice in the provincial courts. Complaints of arbitrary measures, delays, and expense are not uncommon.

Sailors' Home.

This useful institution, started by public subscription, has been at work for over 2 years, and has done great service, more especially in curtailing the trafficing with sailors, which in 1889 had reached enormous proportions. During the winter months of 1891 a soup kitchen, to feed the then numerous families out of employment, was started in conjunction with the Home. Over 8,000 rations were supplied. This last year the improved state of things have made this charity unnecessary.

Salvation Army.

In July last a branch of the Salvation Army, established in Buenos Ayres by "Major" Barritt, was opened here. Their principal work is to assist the poor to employment.

Hours of Labour.

The usual hours are from sunrise to sunset, with an interval of 1 hour for breakfast, from 8 to 9, and 1 hour for dinner, from 1 to 2. In the colonies during harvest time work is frequently carried on by moonlight, but in this case extra wages are paid.

Gold Premium.

Wages.

Wages are paid in paper currency. The following shows the average price of gold in each year since inconvertible currency was decreed :—

Year.	Price of 100 Dollars Gold in Paper Currency.
	Dollars.
1885	137
1886	139
1887	135
1888	140
1889	188
1890	261
1891	377
1892	325

Price of Provisions.

Articles.		Prices. From—	Prices. To—
		Dol. c.	Dol. c.
Sugar	Per kilo.	..	0 70
Rice	„	..	0 60
Flour	„	..	0 20
Vermicelli	„	..	0 40
Coffee	„	2 50	3 00
Bread	„	..	0 20
Beef	„	..	0 25
Mutton	„	..	0 30
Tea	„	3 00	8 00
Butter	„	..	1 60
Fowls	Each	0 80	1 00
Turkeys	„	2 00	2 50
Eggs	Per dozen	0 30	1 00
Vegetables	Fairly cheap	..	..
Wine (common)	Per bottle	..	0 35
Beer	„	..	0 25
Maté (yerba)	Per kilo.	..	0 70

Note.—1 kilo. = 2·17 lbs.; 15 dol. = 1*l*.

Many articles of consumption are greatly adulterated. The so-called wine is manufactured in the cities of alcohol, dye-woods, &c. All imported provisions are very dear owing to high duties payable in gold. Adulteration.

Price of Animals.

Description.		Prices. From—	Prices. To—	Remarks.
		Dollars.	Dollars.	
Cart horses	Each	60	100	
Bullocks, for plough	„	90	120	
Milk cows	„	40	150	According to breed
Sheep	„	4	7	
Ordinary horses	„	30	50	
Cattle, wholesale	„	10	12	Native cattle
Pigs „	„	25	40	For killing
„ ordinary	„	10	15	

Rents.

Description.	Amount.		Remarks.
	From—	To—	
	Dollars.	Dollars.	
Stores	200	500	Per month
Shops	60	300	According to position
Family houses	60	200	
Labourer's houses ..	40	60	
„ rooms.. ..	8	20	

Wages in the City.

Occupation.		Amount.		Remarks.
		From—	To—	
		Dollars.	Dollars.	
Bricklayers ..	Per day..	2	3	No demand at present.
Mechanics ..	„ ..	3	5	No demand at present.
Boilermakers ..	„ ..	3	5	No demand at present.
Carpenters ..	„ ..	2	5	Fair demand.
Cooks	Per month	25	40	Fair demand.
Blacksmiths ..	Per day..	2	4	Fair demand.
Machinists ..	Per month	60	100	Fair demand.
Shoemakers ..	Per day..	2	4	Fair demand.
Grooms	Per month	20	50	All found, no demand.
Painters and decorators ..	Per day .	2	5	No demand.
Bakers	Per month	40	70	All found, little demand.
Hairdressers ..	„ ..	35	60	No demand.
Watchmakers ..	Per day..	3	5	No demand.
Jewellers.. ..	Per month	100	120	Fair demand.
Governesses ..	„ ..	50	100	No demand.
Tailors	„ ..	50	100	No demand.
Clerks	„ ..	50	100	No demand.
Engine drivers ..	„ ..	50	100	No demand.

Wages in the Country.

Occupation.		Amount.		Remarks.
		From—	To—	
		Dollars.	Dollars.	
Agricultural labourers ..	Per month	25	35	All found; good demand, and during harvest much higher wages.
Cooks	„ ..	30	40	All found, good demand.
General servants	„ ..	30	40	All found, good demand.
Blacksmiths ..	„ ..	50	60	All found, good demand.
Carpenters ..	„ ..	50	60	All found, good demand.
Millers	„ ..	35	60	All found, fair demand.
Machinists ..	„ ..	60	100	All found, fair demand, and higher wages during harvest, from November to February and March.

During the present harvest labourers have been earning as much as 100 dol. per month, all found.

NOTE.—The paper dollar fluctuates in value in relation to gold, being now (January, 1893) worth about 1*s.* 4*d.* (See heading, "Gold Premium.")

Price of Land.

Land easily obtained.

The colonist has no difficulty in obtaining land, price according to situation. Land well situated and suitable for grain growing costs from 1,200 dol. to 2,000 dol. the concession of 20 squares (80 acres). From 4 to 6 years is granted for payment, with 12 per cent. interest. Land can be rented by paying rent with a percentage of the crops, generally about 12 per cent.

Those who purchase land on time contracts, for which many facilities are offered, should be cautious to obtain reliable information respecting the seller's power to sell, which information can be got from the Registrar of Sales and Mortgages. It is not uncommon to hear of poor colonists, who, after having completed their part of the contract as regards payments, &c., on applying to the seller for a title-deed for their purchase, find to their dismay he is unable to give one, owing to his whole land being mortgaged, perhaps to its full value, to parties who refuse to free any portions of it, as to free odd lots would naturally depreciate the value of the guarantee.

Clothing.

Expensive.

All articles of clothing are very dear owing to the high customs tariff; the duties are payable in gold, and I have known instances of clothing having to pay duties exceeding their cost in England.

Taxes.

Numerous.

Taxes are numerous, and are especially burdensome to commerce, as also to the poor. In the country taxes are not so heavy as in the towns.

Schools.

In the larger cities good education can be obtained. Municipal schools are established in most of the country towns, but are very badly provided for, the education being elementary.

British Capital in Land.

Waste of capital.

Several millions of gold dollars (British capital) are invested in vast acres of virgin lands in various parts of this province, belonging to companies that were floated in London during the boom days. A great part of these lands, although immensely fertile and well adapted to agriculture, are lying wasted, giving little or no return for the money invested. It would seem to me that some of these lands might be put to good use and made profitable to the shareholders by organising a scheme to colonise them, bringing out with this object a suitable class of British emigrants. A scheme such as I suggest would not only increase the value of the lands but advance the interests of the country by encouraging a good class of immigration. There is no reason why British colonies should not answer and be as successful as those of other nationalities, such as the Swiss, German, Belgian, Dutch, and Italian. The climate is healthy and the soil exceedingly fertile, and I have been told by men who have had farming experience in Australia and New Zealand that this country offers many advantages over both those countries. With good administration and careful selection of the people imported not only do I anticipate a financial success but a new field for some of our home overgrown population would be opened.

Advice to Emigrants.

British subjects who may intend coming to this province of Santa Fé should bear in mind that this is distinctly an agricultural district; there is little or no demand for labour in the cities. For those who have experience of agriculture there is no

difficulty in obtaining employment in the colonies; they must, however, come prepared to have a rough time of it at first, until they have gained some knowledge of the language and customs and are able to set up for themselves. No families should attempt to emigrate on their own account unless they have a small capital, from 500*l.* to 1,000*l.* to start on. It would be wise for new comers to work for a time with the older farmers having experience of the country before branching out on their own account. Cattle and sheep farming are very profitable, but require a larger capital than grain growing. Butter and cheese making is of late receiving some attention, and should be profitable. There is always a good market for produce; the colonist can always count on selling his crops at a good price on his farm. Wheat, maize, linseed, lucerne, pea-nuts, and potatoes are the principal products; wine and alcohol in the interior provinces of Mendoza and San Juan, and sugar in Tucuman.

The Emigrants' Information Office in London is in a position to supply all such information as will be useful to intending emigrants, and it will be wise for those who think of coming to this country to carefully peruse their hand-book before deciding.

Provincial Finances.

Dearth of statistics.

As it has been impossible to obtain any information from the Finance Department of the province, the following has been copied from a statement published by the paper "La Prensa," of Buenos Ayres The data, it is stated, has been obtained from the National Report of Finance, 1892; from balances of the Provincial Bank, and from official data relating to the internal debt of 1891:—

Debt of the Province of Santa Fé.

Description.	Amount. Paper Currency.	Amount. Gold Currency.
	Dollars.	Dollars.
Exterior Debt.		
Railway Loan, Law 1884*	..	5,440,680
„ „ 1886*	..	11,043,144
„ „ 1888*	..	9,954,000
Increase of rolling stock	..	5,040,000
Total Railway Loan	..	31,477,824
Consolidation of National Guarantees of Railways, 600,000*l.* at 5·04 dol. per 1*l.*	..	3,024,000
Law of March 14, 1883, Capital of Provincial Bank	..	6,366,879
„ September 3, 1888, Capital of Provincial Bank	..	9,878,400
Law of June 30, 1888, Municipality of Rosario 6 per cent. and 1 per cent.	..	7,279,624
Law of October 27, 1888, Municipality of Santa Fé, 6 per cent. and 1 per cent.	..	1,280,328
Total	..	59,307,055
Unpaid Interest.		
Loan Provincial Bank*	..	1,682,861
Guarantees of Railways*	..	1,398,375
Municipality of Rosario*	..	560,581
„ Santa Fé*	..	136,500
Total	..	63,085,372
Interior Debt.		
Law of August 14, 1886, Consolidated Debt, 5 per cent. and 1 per cent.	3,340,000	..
Government Bills	900,000	..
Treasury Bills	1,200,000	..
Treasury bonds or notes	3,000,000	..
Debt to provincial bank	2,500,000	..
„ „ 652,539 dol. gold at 250 per cent.	1,631,357	..
Total	12,571,357	

* National Report of Finance of 1892.

It is stated that should certain arrangements, projected with the "Compañia Constructora de Ferro-carriles," be carried out, the service of the Exterior Debt will be reduced to the following :—

Description.	Amount.
	Gold Dollars.
Consolidation of Guarantees	180,000
Law March 14, 1883	490,000
„ September 3, 1888	600,000
„ June 30, 1888, Rosario Municipality ..	525,000
„ October 27, 1888, Santa Fé	105,000
Total	1,900,000

According to statistics published lately by Dr. Gabriel Carrasco, formerly Minister of Agriculture in this province, and at present Minister of Justice, the revenue of the province in 1891 was 2,424,000 dol. currency, being amounts actually collected for taxes, and not including financial operations, profits on railways, &c., which increased the resources of the province to 5,412,000 dol. during that year.

From the above figures it will be noticed that the present financial position is very unsatisfactory, as it is impossible to pay interest on the debt and meet the requirements of the provincial expenditure, the estimate of which, for the year 1892, having been 2,680,000 dol. currency, as against 302,000 dol. in 1883, thus showing the tremendous increase in expenditure and financial mismanagement. Financial position unsatisfactory.

General Remarks.

British manufacturers would do well to encourage trade with this country, which, without doubt, offers a large and rapidly-growing market, especially for agricultural machinery and hardware of every description. They must bear in mind that they have to compete with North American and Continental firms, who are doing all they can to make their manufactures known in this market and offering liberal conditions. English firms, I know from experience, are content to send out a few circulars in the English language for distribution, hoping thereby to do business. Nothing is more erroneous, as the circulars are, in most cases, not only not understood, but the conditions demanded are not in accordance with the custom of this market. Purchasers here not only wish to inspect the goods but it is the custom to purchase on what one may call the time system, that is to say, purchasing the article by a cash payment of say one-half and for the rest signing a bill at six months with current bank interest and with guarantee to seller's satisfaction. It is therefore clear that to do business, British firms should be well represented by agents in this country. Advice to British manufacturers.

I cite a case which came under my notice in which a respectable firm ordered some goods from a British manufacturer, the bill of lading and invoice to be remitted to an English bank here

with instructions to deliver same to the purchaser of the goods on payment of amount of invoice. An order on these conditions given to a North American or Continental manufacturer would have been executed at once, whilst in this case it was rejected.

English bank. A new English bank, the "Banco Britanico de la America del Sud" (British Bank of South America), has been added to the two already in existence, and will no doubt assist commerce and do a profitable business. In some of the larger towns in the colonies banks have been established by private enterprise during the past year.

Factories. Among the enterprises which have been established with private capital I may mention, flour mills, breweries, and factories for making bags, oil, tallow, and soap.

New drainage works. The drainage works constructed with English capital at an outlay of 800,000*l.* have not yet been received by the municipality owing to the difficulties mentioned in my previous report remaining still unsettled. Owing to the political situation and the conflict which has been going on for some time past between the municipal authorities, Rosario having been now for several months without a corporation, there appears to be little hope of this unfortunate business being settled for some time to come.

Electric light. The city of Rosario is now lit by electric light provided by an English company.

Sugar refinery. In the sugar refinery established in this city, between 30,000 tons and 40,000 tons of sugar have been refined during the past year, principally from the province of Tucuman.

Summary of Report.

Favourable prospects. From the foregoing figures it will be seen that the year 1892 has been very favourable for this district of the Argentine Republic. The true barometer of trade, "the custom-house receipts," may be taken as a proof that the crisis is at an end and trade rapidly recovering from the shock it has received since 1889.

Agriculture. Agriculture, which has been little affected by the crisis, is year by year receiving more attention, and owing to the handsome profits it leaves to farmers, there is little doubt, if the country is not upset by political disturbances, which it is to be hoped the people will have the foresight to prevent, the time is not distant when 1,000,000 tons of wheat will be exported annually.

Political situation. It must, however, not be overlooked by those intending to immigrate here, that the political situation is at present very unsettled, that the administration of law is defective and the administration of justice slow and expensive. There are also other drawbacks, such as language and mode of life, so entirely different to what our countrymen are accustomed to, all of which the British immigrant must be prepared to contend with.

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No. 1178.

Reference to previous Report, Annual Series No. 927.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Welby to the Earl of Rosebery.

My Lord, *Buenos Ayres, March* 1, 1893.

I HAVE the honour to transmit herewith to your Lordship an interesting Statement which has been prepared by Mr. Findlay, Second Secretary of this Legation, of the Argentine Trade Returns for the past year.

I have, &c.
(Signed) GEORGE E. WELBY.

Report on the Trade of the Argentine Republic for the Year 1892.

ABSTRACT of Contents.

	PAGE
Imports and exports	2, 3
Iron goods and machinery	5
Meat	5
Mode of levying duties	6

Comparative results of trade.

The returns of Argentine trade for the fourth quarter of 1892 have just been published by the National Statistical Department, and show the following results as compared with the corresponding period in 1891:—

NOTE.—The values of the imports are based on the tariff and are taken as gold; those of exports are based on current prices reduced to gold

QUARTER ended December 31.

IMPORTS.

	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
Subject to duty	10,714,962	25,191,343
Free	6,332,078	3,823,036
Bullion	2,855,179	172,819
Total	19,902,219	29,187,198

EXPORTS.

	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
Subject to duty	14,602,829	19,283,630
Free	6,383,292	6,243,941
Bullion	125,862	52,872
Total	21,111,983	25,580,443

Duties.

Duties of all categories (including additional duties) were collected in this quarter to the amount of 24,370,011 dol. paper

The following are the returns for the whole of 1892 compared with those of 1891 :—

IMPORTS.

	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
Subject to duty	42,640,298	77,068,110
Free	24,552,520	14,320,100
Bullion	9,255,608	6,510,798
Total	76,448,426	97,899,008
Or approximately	15,289,685*l.*	19,579,801*l.*

EXPORTS.

	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
Subject to duty	68,250,601	73,846,039
Free	30,713,648	38,846,909
Bullion	1,703,100	1,974,477
Total	100,667,349	114,667,425
Or approximately	20,133,469*l.*	22,933,485*l.*

Duties of all categories (including additional) were collected during the year to the amount of 92,207,225 dol. paper, as compared with 53,100,000 dol. paper in 1891, which shows an increase of nearly 74 per cent.

The total volume of trade in 1892, as compared with 1891, is approximately as follows :—

TOTAL TRADE.

	Amount.	
	1891.	1892.
	£	£
Imports	15,289,685	19,579,801
Exports	20,133,469	22,933,485
Total	35,423,154	42,513,286

Showing an increase of over 7,000,000*l.* in favour of 1892, which is equivalent to 20 per cent.

The imports (exclusive of bullion) from the various countries are approximately as follows :— Imports.

IMPORTS.

From—	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
United Kingdom	28,300,000	35,800,000
Germany	6,200,000	10,600,000
France	7,900,000	10,400,000
Italy	4,200,000	8,400,000
United States	3,400,000	7,400,000
Belgium	6,400,000	6,700,000
Various	10,700,000	12,100,000
Total	67,100,000	91,400,000

The imports from the United Kingdom are much larger than those from any other country, and have increased 25 per cent. as compared with those of 1891. France has ceded the second position to Germany, and the imports from Italy and from the United States have doubled. In the case of Italy the impulse given to her trade is probably owing to the large number of Italian colonists who are now beginning to make money in agriculture, &c., and in the case of the United States the increase may be attributed to the great importation of cheap American agricultural machinery.

Exports. The following table shows the destination of the exports (exclusive of bullion):—

EXPORTS.

To—	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
France	24,100,000	26,400,000
United Kingdom	16,800,000	19,700,000
Germany..	11,600,000	16,600,000
Belgium	18,100,000	14,700,000
Brazil	10,500,000	10,500,000
United States	4,200,000	4,800,000
Italy	3,300,000	4,300,000
Various	10,400,000	15,700,000
Total	99,000,000	112,700,000

Adding the imports and exports, the total volume of trade with the various countries is shown as follows:—

TOTAL TRADE.

Country.	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
United Kingdom	45,100,000	55,500,000
France	32,000,000	36,800,000
Germany	17,800,000	27,200,000
Belgium	24,500,000	21,400,000
Brazil	12,000,000	12,600,000
Italy	7,500,000	12,500,000
United States	7,600,000	12,200,000
Spain	2,900,000	4,600,000
Chile	2,400,000	2,000,000
Various	14,300,000	19,300,000
Total	166,100,000	204,100,000

The preceding table shows a total increase in the volume of trade amounting to 38,000,000 dol. gold, and more than one-fourth (10,400,000 dol.) is represented by the increase in trade with the United Kingdom. It may also be observed that the trade with Germany has increased to almost the same amount, viz., 9,000,000 dol. Increase of trade.

The following table shows the figures representing the values of the principal articles of importation in which there has been a marked increase or decrease:—

IMPORTS.

Articles.	Amount.	
	1891.	1892.
	Dollars Gold.	Dollars Gold.
Olive oil	905,088	1,969,293
Refined sugar	2,127,785	3,481,572
Common wine in casks	2,311,649	3,650,579
Woven and spun goods, including sack-cloth	14,856,376	30,617,216
Wood, chiefly pine	2,360,447	3,712,206
Iron and machinery	4,517,420	10,339,250
Railway materials	16,047,485	2,953,152
Coal and fuel	4,143,808	6,095,642

The importation of iron goods and machinery has more than doubled, and there has been a similar increase in the importation of textiles. Iron goods and machinery.

The quantities of the principal articles exported compare with the returns of 1891 as follows:—

EXPORTS.

Articles.	Quantity.	
	1891.	1892.
	Tons.	Tons.
Wool	138,100	154,600
Sheepskins	24,200	32,100
Meat	66,400	77,700
Wheat	405,000	495,000
Maize	66,000	446,000
Linseed	12,000	43,000
Hay	30,000	39,200

There has been great increase in the exportation of meat and also of wheat, and the quantity of maize exported in 1892 is more than six times that exported in the previous year. The preceding table shows at a glance the enormous strides made by agriculture in the Argentine Republic during the last year. Meat.

Customs returns unreliable.

As has already been pointed out in previous reports, the customs valuation of many articles of trade is much too high, especially as regards the imports, so that the figures representing the total volume of trade cannot be regarded as accurate; it is, however, extremely difficult to ascertain to what extent they are exaggerated.

Newspaper errors.

I may observe that the Buenos Ayres "Standard," which is largely quoted by the English papers, makes the mistake of publishing the return of duties received in 1891–2 as gold dollars, whereas the duties received in gold have been reduced to paper.

If the Republic collected 92,000,000 dol. gold (18,400,000*l.*) as stated by the "Standard," it would have no difficulty in meeting all its obligations.

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ARGENTINE REPUBLIC.

REPORT FOR THE YEAR 1893

ON THE

AGRICULTURAL CONDITION OF THE ARGENTINE REPUBLIC.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1147.

Presented to both Houses of Parliament by Command of Her Majesty,
AUGUST, 1893.

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Reference to previous Report, Annual Series No. 1147.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Gastrell to the Earl of Rosebery.

My Lord, *Buenos Ayres, June* 6, 1893.

I HAVE the honour to transmit to your Lordship herewith a Report for the year 1893 on "Wheat-growing, Vines, Sugar, and other Agriculture in the Argentine Republic."

Accurate information on this subject is difficult to obtain, and an approximation to the truth only can be arrived at, after carefully comparing data collected from many private and official sources all over the country.

Your Lordship will perceive that agriculture is, comparatively, a new source of wealth to this formerly essentially stock-raising Republic, and that its rapid extension in the last few years has been remarkable. The exportation of agricultural produce is now very large. In 1892 its value, according to Argentine statistics, was about 5,000,000*l.*, or one-third of that of the exported products of stock-raising. Four years ago, in 1889, its value was only 2,000,000*l.* There is no doubt that the high premium on gold, in the last few years, has acted as a bounty on all native production, and has been a considerable factor in bringing about this rapid development.

In conclusion, I would mention that the total crop of wheat of this extraordinarily plentiful year would appear to be at least 1,750,000 tons, of which about 1,040,000 tons will be available for export during 1893. But a considerable portion will probably be retained by the growers on account of the very low prices of wheat now ruling in Europe.

I have, &c.,

(Signed) WILLIAM S. H. GASTRELL.

Report for the year 1893 *on Wheat-growing, Vines, Sugar, and other Agriculture in the Argentine Republic.*

Abstract of Contents.

	Page
I. Précis of Report	3
II. General condition of agriculture—	
Importance of Argentine wheat	9
High gold premium a bounty on native production	10
Immigration and capital required	11
Advantages of Republic for agriculture	11
United States and this country. Comparison of government and security	11
Facilities of becoming a landowner	13
Cultivation in 1869 and 1891 compared	14
Geographical suitability for agriculture	14
Carriage by land and water	15
Climate, temperature, rains, winds, &c.	16
Cultivation. Possible and actual area	17
Climatic and agricultural map	17
Areas of chief crops 1891, and value by Fliess	17
Cereals in provinces of Santa Fé, Buenos Ayres, Cordova, Entre Rios	21
Region of cereals. Chebut and Falkland Islands	25
III. Wheat, general—	
Description of essentially wheat-growing region	26
Present centre of wheat district. Nature of lands	27
Traffic, and export of agricultural produce 1880 to 1893	30
Causes of loss of crops—locusts, drought, diseases, &c.	31
Argentine wheat in England. Gold medal in 1892	32
Chief kinds of wheat Barletta and Saldomé	32
Cost of production of wheat, and profits, 1891 and 1893	32
IV. Other crops—	
Cultivation of alfalfa (Lucerne)	33
The maize crop. Cost of production and yield	35
V. Colonisation System—	
Manner of selling land	36
Loans of machinery, tools, &c. Cost of animals	36
Agricultural labour. Italians, British and others	37
VI. Wheat in 1892 and 1893—	
Wheat season 1891-92, yield and export	39
Government tax on wheat and linseed, province of Santa Fé	39
United States system of selling grain "subject to inspection"	40
Causes of improvement in wheat shipped	40
Agriculture in 1893 according to Governors' messages to Congresses	40
Wheat trade and the handling of grain	42
Estimated export of wheat in 1893	42
Maize crops 1889 to 1893	43
Notes on agricultural produce according to railways	44
Practical information for agriculturists. Lands, crops, &c.	46
VII. Vineyards and Wine-growing—	
Actual and possible area of vines	47
Vineyards of Mendoza, value, yield, profits	48
Want of casks—nearly all imported	50
Causes of loss of grape crops	50
Area of vines and possible yield in 1893	51
Practical cost in 1893 of starting a vineyard	52
VIII. Cultivation of sugar-cane	52
The three necessaries for success	52
Area and yield of sugar-cane in 1891	54
Causes of increase of its cultivation	54
Labour in cane plantations, yield and profits	54
Season of 1893 and yield, crop prospects	56
Question of starting beetroot cultivation	56
Table of weights and measures	56

Précis of Report.

Agriculture in the Argentine Republic is a subject which has only become interesting in recent years, during which it has increased so immensely as to merit now a foremost place in the internal economy of this formerly essentially stock-raising country. Many circumstances have combined to favour the progress of agriculture, and notably the high premium on gold, especially since the financial and economic crisis of 1890, which has acted as a bounty on native production. This premium, which in 1891 rose to 320 per cent., made the paper dollar worth less than one-fourth of its original value; to-day, with the premium at 200 per cent., the paper dollar is still only worth one-third of its proper value. This fact has conferred a distinct advantage on the local producer, who supplies articles for which there is either a demand abroad or which compete with a similar imported article, whether as a raw material or in a manufactured form—usually the latter. For either of these two classes he obtains a price, based on the gold value of either of those two classes of articles in European markets. In the case of agriculture, the first class comprises raw materials, wheat, maize, linseed, and other agricultural produce; the second class consists of manufactured or elaborated articles, such as flour, wines, sugar, tobacco, spirits, oils, &c. In the case of the former class, or exports, the produce sells for the value in foreign markets less cost of transport and profits, &c. In the case of the latter class, or imports, the produce, either in an unworked or in a manufactured form, will fetch a price which is sufficiently low to undersell the foreign similar article, which pays a very heavy duty.

Development of agriculture in late years.

Advantages of high gold premium to producer.

The producer thus practically obtains a gold price, and pays all his labour and current expenses in depreciated paper currency, thereby realising an extra large profit. Hence the possible doubt as to the continuance of agriculture on its present large and rapidly increasing scale and of many now flourishing Argentine industries, should the premium on gold fall greatly and again approach par. During the last few years profits have for this reason been unusually high.

The Governor of Santa Fé in his Message to Congress this year said :—" Our growing prosperity is mainly due to the depreciation of the paper currency, which is a great boon to the producer. The chief difficulty has been the want of hands, but this will disappear as Europeans are attracted to this country."

The extension of the cultivation of wheat in the future will also depend somewhat on its prices in Europe, which at the present moment are exceedingly low. There is no doubt, however, that agriculture here will always be considerable, and furnish large amounts of produce for export, though stock-raising will probably always be this country's main source of wealth.

Extension of cultivation, and its three requisites, land, labour, and capital.

It is difficult to say to what extent agriculture will go on

developing. Its requisites are three—land, labour, and capital, of which the first is still abundant and cheap. But capital and labour are wanting. Capital will mean foreign, and, therefore, probably largely British capital; and labour implies necessarily foreign immigration. It is also for this reason that the question of agriculture here is of interest to European nations, who alone can supply these two requisites.

Foreign capital.

Foreign immigration.

It is greatly to the interest of the Argentine Government to inspire that confidence abroad which is essential to obtaining further capital, and to do all it can for immigrants by facilitating their acquisition of land, perhaps by a law similar to the Homestead Law of the United States, and by affording them protection from fraud, in order to obtain a larger supply and better class of agricultural labour.

The President of this Republic, in opening Congress this year, stated that—"Foreign immigration would receive considerable attention from his Government, because, being in possession of vast zones of fertile but as yet undeveloped country, Argentines ought to stimulate immigration by offering foreigners every facility towards establishing themselves in the country, so that, by becoming landed proprietors, they may also become deeply and sincerely interested in its development and progress." He added that a most important means to this end would be found in also facilitating the acquisition by the immigrant of Argentine citizenship.

The foreigner and Argentine citizenship.

At present the fact of being a foreigner is an advantage and source of protection, and, therefore, many colonists only think of accumulating money with which to leave the country in the course of years. Hence the offer of citizenship does not attract them, and still less so if that citizenship involves, as it must, military service. All foreigners now shun politics, and few care to have anything to do with them.

Preponderance of foreigners in the Republic.

Foreigners in this country practically monopolise trade, railways, and commercial undertakings of every kind. They own a large portion of the country, and are yearly acquiring more property of every description. Almost all the railways belong to English capitalists, and, if not to English, to foreigners. It has been stated that one-half of the cultivated portion of the province of Santa Fé belongs to Englishmen. Agriculture here may be said to be entirely in the hands of Europeans.

Difficulty of obtaining reliable data.

Before going into the present condition of agriculture in the Argentine Republic, and giving practical information for agriculturists as well as estimates of the crops, it must be mentioned that local statistics are unreliable, and that correct figures are impossible to obtain. An approximation to the truth is all that one can present to the public, after a thorough investigation of every source of information. Divergencies in figures will be noted; these must be attributed to the different estimates obtained from many official and private sources. With regard to Mr. Fliess' figures, it should be noted that his book is exaggerated in parts, especially for values.

All figures quoted in the following pages must be accepted as approximate only, and be interpreted in the light of the subsequent remarks.

Advantages of the Republic for agriculture.

The Argentine Republic has certain advantages as an agricultural country, namely, its excessive flatness, extending over 800,000 square miles; its variety of climate, which comprises tropical regions in the north, temperate in the centre, and cold in the south, in which large area almost every known product will grow; and lastly, its good climate. A temporary additional and important advantage is the above-mentioned gold premium. The large level plains, devoid of forests and all obstructions, permit of cheap railway construction, of easy roads, and of easy cultivation in this country.

Disadvantages.

There are disadvantages, compared with the United States, as a country for emigrants, who are here the chief agriculturists, such as continual changes of Government, the comparative insecurity of life and property, and the want of speedy justice and of better administration.

To Northern races there is the additional difficulty of the Spanish language and of ways and customs foreign to their own. This country is best suited to the Latin races.

Geographical adaptation to growth of cereals.

Geographically considered, this Republic is remarkably adapted to the cultivation of cereals. Out of a total area of 1,212,600 square miles of territory, some 800,000 are a flat, level country, covering four times the area of France, and lying mostly in the temperate zone. The region said to be suited to cultivation is 239,989,000 acres out of a total of 729,000,000 acres, or about one-third. Of this area 65,877,000 acres lie in the four provinces of Buenos Ayres, Santa Fé, Entre Rios, and Cordova.

Area cultivated.

The total area cultivated was estimated at 7,400,000 acres in 1891, at 8,875,000 acres in 1892, and may be 12,500,000 acres this year, 1893; and nearly the whole of this cultivation lies in the above-named four provinces.

Carriage by water and rail.

Water carriage is practically confined to the sea-coast, to the estuary of the River Plate, and to the two Rivers Parana and Uruguay, but only ships of light draft can ascend these any distance. The lowness of the Parana is a great drawback to the ports of the province of Santa Fé, whence the largest portion of wheat is exported.

Transport by rail is most extensive all over the country, there being some 8,075 miles open in 1893. Moreover, 4,800 miles of railways discharge into ports on the Parana River. The distances to ports of shipment for wheat are usually short, and no part of the wheat district lies further than 360 miles from a port. Freights are not high considering the cost of fuel.

Areas cultivated in four chief provinces.

In 1892 the estimated areas of cultivation in the four provinces of Buenos Ayres, Santa Fé, Cordova, and Entre Rios were respectively 2,465,000, 1,983,000, 1,700,000, and 765,000 acres, or 80 per cent. of the whole. About 80 per cent. of the crops were cereals.

The years

A comparison of the years 1869 and 1891 will show the

1869 and 1891 compared.

progress of this country. In 1869 the population was 1,877,000, the area cultivated 180,000 acres, the length of railways 362 miles, with 206,000 tons of freight. In 1891 the population was 4,000,000, the area cultivated 7,500,000 acres, the length of railways 7,322 miles, with a traffic of 4,500,000 tons of freight.

Comparison of 1880 and 1893.

A comparison of the years 1880 and 1893 shows what a wonderful change has taken place in this Republic in the course of the last 14 years. In 1880 this country imported 177,000 tons of wheat; in the present year, 1893, the Argentine Republic has an exportable produce of wheat of 1,040,000 tons. From being an importing country it has become a large exporting country.

Centre of wheat region.

The present centre of the wheat-growing region, formerly in the middle of the province of Santa Fé, now lies in the southern portion of that province, between the Central Argentine and Pacific Railways—a district that possessed no cultivation eight years ago.

Argentine wheat.

The principal wheat grown here is the "Barletta," resembling the North American "Red Winter," which produces the best flour with most gluten, and is preferred for export. At the Milling and Baking Exhibition in England in 1892, Argentine wheat obtained a gold medal, and is distinctly improving in quality and becoming better known. The improvements here in storing, in shipping, and the establishment of grain elevators, have all helped to better its condition; more modern agricultural machinery and greater care generally, besides the introduction of selling the grain "subject to inspection," as in the United States, have also contributed to this result.

Causes of loss of crops.

The chief causes of loss of crops are drought and locusts, which latter, in late years, have appeared much more frequently than formerly. The diseases of wheat are few, and frosts are seldom a cause of loss.

Tax on cereals.

Agriculture having so greatly extended, the Provincial Government of Santa Fé placed a tax of 10 c. ($1\frac{3}{4}d.$) on every 220 lbs. of wheat and linseed grown. This tax was eventually farmed out, and its unequal collection led to much resistance, and even to disturbances, in the colonies.

There is in this country no duty whatever on any agricultural produce exported, though the duties on the exportation of the products of stock-raising, abolished in 1887, have been renewed since 1891. Colonists have certain privileges in taxation, and have but little to pay under this head. Taxes are not heavy, neither are the various dues on produce.

Conditions of land purchase.

Most immigrants are poor, and the conditions of land-purchase are adapted to their requirements. The land is sold to the immigrant for a fixed price, payable in instalments during a certain number of years. Purchasers should be careful that the seller has no mortgages on the land. Otherwise, when the buyer has completed the instalments, he will find the title-deeds not forthcoming.

The requisite horses and oxen cost but little, and machinery, tools, and provisions are advanced to colonists, which enables them to exist till the first harvest. The price of the land is

soon paid off with good seasons, and the facilities of becoming landowners on a small scale are great.

All lands in the Argentine Republic are freehold. The transfer and the registration of properties and the examination of titles is remarkably simple as compared with England. But there is no doubt that the administration of public lands requires complete revision, and many reforms, especially in the direction of facilitating the acquisition of small lots.

Price of lands.

Lands, suitable for wheat growing, perhaps average 1*l.* to 2*l.* an acre near railways, and are much cheaper further away.

To invest capital in lands in the agricultural districts would perhaps be a better investment than placing money in many Argentine stocks.

Cost of production of wheat.

The cost of production for wheat depends very much on whether the work is done with hired labour or by the colonist and his family, but appears to be about 42 dols. (2*l.* 14*s.*) per 2½ acres, including all expenses and cost of bags up to deposit at railway station. Then transport commission brokerage would be 20 dols. (1*l.* 7*s.*) a ton, making altogether 4*l.* 1*s.* This area of 2½ acres will yield, on an average, 1 ton of wheat, which, at the very low price of 7 dols. 50 c. per 100 kilos.—in 1893 (10*s.* per 220 lbs.), sells for 5*l.*, leaving a net profit of at least 1*l.* per ton to-day and usually much more. One good crop in three is sufficient to be profitable.

Wheat, beyond a certain radius, would not be very remunerative with the present low prices ruling in Europe. But most agriculturists, especially the Italians, would probably go on growing wheat, even with lower prices, as it is almost the only thing they understand to a certain extent, and the local consumption will always be very large and increasing.

The flour trade.

There are a very large number of flour mills in the Republic which have been doing remarkably well; but the flour trade to Brazil has received a considerable check from that country having put such heavy duties on Argentine wheat, and having admitted North American wheat free of all duty.

The milling power of all these flour-mills is said to be 3,000 tons a day; their average output, so far, is said to have been 1,000 tons only per day.

Alfalfa (Lucerne) crop. Its future.

Alfalfa (Lucerne) is a remarkable crop and covers an enormous area, and is rapidly increasing. It is grown to pasture cattle and also to cut and sell as Alfalfa hay, of which there is a very large consumption. As an export it only goes to Brazil in any quantity, but promises to be a large export in the future even to Europe, where its quality as a forage has been pronounced excellent. Its cultivation is easy, inexpensive, and suits the climate, as it requires little rain, and the profits are considerable. Some persons consider its future to be second only to that of wheat and maize as an export.

The maize crop.

Maize is an easy crop and is, if not destroyed by locusts or drought, a remunerative one. Its consumption is most extensive and is, perhaps, 1,500,000 tons yearly. Large quantities are used for distilling spirits, with which native and foreign wines are

largely adulterated. The export surplus of maize in 1889 was 960,000 tons, the year 1892 gave an export of 580,000 tons, but this year, 1893, it is doubtful if any remains for exportation to Europe after the demands of Brazil have been satisfied. This year's crop has been greatly reduced by locusts and drought.

Agricultural labour.

It was thought that the recent law against emigration to the United States would send additional emigrants to this country, but this does not, so far, appear to be the case.

Labour is often scarce in the wheat districts, and portions of the crop are lost on that account. Italians form the bulk of the agriculturists and succeed remarkably well, and become proprietors of considerable farms in a few years. They know least but do most, and rapidly accumulate money. The Englishman of the lower classes is not a success in this country; he should not emigrate here. It is only in commerce as merchants, clerks, employees in various railways or other companies that he succeeds. Any other foreigner, except the Englishman, and preferably the Latin races, is what this Republic requires for its labour supply.

In 1891 there was an excess of emigration over immigration of 28,000 persons, and immigration now only slightly exceeds the emigration, a serious consideration to the development of this country.

Want of practical agricultural education.

There is a great want of practical education among the labouring agricultural classes. They have little or no knowledge of their business. Rotation of crops, manuring, &c., is not understood, and the work is usually done in a most primitive fashion. Some of the provincial governments have started practical agricultural schools to give a better practical agricultural education to the younger generation.

Jewish colonisation.

The details of Jewish colonisation by Baron Hirsch and its doubtful success has been spoken of in a former report.

Estimated export of wheat in 1893, and of total crop.

It is difficult to arrive at a correct estimate of this crop and probable export. From a careful comparison of figures from many sources of information, the probable total crop of 1893 is at least 1,750,000 tons, of which about 1,040,000 tons are available for export. Local consumption is between 600,000 tons and 650,000 tons, and there is a small export of flour and a small crop in other provinces. Of this crop about 780,000 tons have, apparently, already been exported, and there is some 260,000 tons still to export, part of which, however, is very likely to be retained by the growers on account of the very low price of wheat in Europe. The increase of the wheat area is about 83 per cent. over that of 1891. This crop has been an unusually plentiful and good one, and is not likely to be seen again for some years.

Traffic in agricultural produce in 1892 and 1893.

The traffic of agricultural produce on the principal railways of the Argentine Republic is very large. The returns for the first three months of 1893 show almost as large a traffic as during the whole of 1892 on many lines, which also helps to bear testimony to the extraordinary wheat crop of this year.

Cultivation of vines and wine-growing.

The cultivation of vines is one that has made great progress in late years. Its profits are large, probably 30 per cent. on the amount invested, but few persons take it up for want of sufficiently large capitals to wait four years for the first profits. The wines

require more careful manufacture, judicious blending, and keeping for some years, which is never done now as capitalists are not wealthy enough. Wine-growing is one of the few local industries likely to thrive, even if the heavy import duties on wines were abolished. Native wines, largely adulterated, now supply by far the greatest part of the consumption, and imports are yearly rapidly decreasing. French vines are mostly grown and give large crops, which, however, are sometimes lost from locusts. "Phylloxera," which has never existed in this country before, is said to have just made its appearance here.

Cultivation of sugar-cane.

The cultivation of sugar-cane has considerably increased in the last few years, the increase in area this year is estimated at 50 per cent., but, owing to a dry season, the yield will probably not exceed 62,000 tons, or much the same as last year. Locally-produced sugar now furnishes about 90 per cent. of the consumption. This year a large amount of the best European machinery has been sent to the sugar districts, and a concentration of labour and capital are taking place to found larger establishments in order to increase the already considerable profits.

Agriculture, past, present, and future.

In conclusion, it is difficult to predict accurately the future of agriculture and of the numerous Argentine industries, the development of which has been so largely due to the heavy premium on gold which, in falling would reduce the profits, and, in rising, would increase them. The value of agricultural produce exported in 1889 was about 2,000,000*l.*; in 1892, according to Argentine statistics, it stood at 5,000,000*l.*, or one-third of the value of the products of stock-raising exported in that year.

Agriculture and stock-raising.

With regard to the possible area of cultivation the figures quoted do not in any way imply that such an area ever will be cultivated. It is highly improbable that any more than a small portion of it will become cultivated; and area now occupied for stock-raising, of which a large portion is included in that possible area, will certainly increase. The only possible change will be that agriculture should increase and occupy the lands nearest to ports and water-carriage, and that a small portion of the stock-raising farms should move to more distant lands.

Report on Agriculture, with Special Reference to Wheat-growing, 1893.

General condition of Argentine Republic.

The general condition of the Argentine Republic in 1892 was described in my last Report (No. 1147, Annual Series), and a brief review of the progress of agriculture in past years was there given. But, in view of the rapidly increasing area yearly devoted to agriculture in this country, my object is now to place before the public, as faithfully as possible, the actual condition of agriculture in 1893, with special reference to wheat-growing, which is by far its most important branch. Reliable statistics and data are especially difficult to obtain on this subject. Figures quoted here must only be considered as approximately correct.

Difficulty of obtaining reliable data for agriculture.

Importance of Argentine.

What is becoming a most important product, not only for this Republic but also for European nations which now consume a large

wheat to Europe.

portion of its total yield. This continually spreading cultivation of wheat and other cereals opens large and new fields to unemployed capital and labour; and, as both have chiefly to be provided from abroad, it is of interest to Europeans to consider what is the present position of this important branch of export in the Argentine Republic, as also its probable future.

Change of Argentine Republic to a semi-agricultural country.

Until lately the Argentine Republic was essentially a pastoral country, and its riches were almost entirely derived from stock-raising. For many years past, however, agriculture has been growing more important, and in the last 10 years has assumed immense proportions. Many years ago wheat was imported; large quantities of flour also in quite recent years. Now agriculture covers millions of acres of land, and furnishes not only food for the home markets, but for many foreign ones as well, and in considerable quantities. The increase of agriculture has provided many native raw materials formerly imported, and caused numerous new industries to arise all over the country.

Formerly wheat and flour imported —now large export of.

Agriculture the cause of many new industries.

Some articles now exported instead of imported.

Exports in recent years have included some articles which, even 15 years ago, figured among the imports. Other imports have so largely diminished as to show graphically, in the annual returns, the remarkable progress of agriculture and of native industries.

High gold premium acted as bounty on native production.

The great rise of the gold premium in the last few years, the result of financial and economic mismanagement, acted as a large bounty on native production. Formerly almost every elaborated or manufactured article was imported. The Argentine Republic produced only certain raw materials, such as wool, hides, bones, meat, &c.; and such portions of them as would bear the freight were exported to be returned later, converted into some article of consumption. Little was elaborated locally, and that only to a very primitive and limited extent. Gradually, however, owing partly to heavy duties on every imported article, certain native industries arose to employ locally-produced raw material. Agriculture spread rapidly, and Argentine industries then started also to convert its produce into the form required for consumption.

Causes of extension of local industries.

Flour, oil, and sugar mills started.

Flour, oil, sugar, and other mills were built, of which there are now a large number in the Republic. After satisfying the local consumption, the surplus of agricultural produce, which soon became considerable, was sent abroad. The export of wheat was stimulated by the high prices in Europe in 1891; and, during the last five years, the continually rising gold premium made wheat-growing unusually remunerative. Wheat, whether sold locally or for export, naturally fetched a price based on its gold value in European markets, which price meant a great deal in depreciated paper currency, in which the wheat-grower paid all his outlay, except for agricultural instruments and a few other articles, which were paid for at gold rates. His wages and expenditure being consequently so much less when converted to gold, his profits were therefore considerably higher than in former years. Again, the high gold premium enabled persons having gold to buy wheat lands cheaply, for their value in depreciated paper dollars remained

High prices of wheat in Europe in 1891.

Wheat-growing unusually remunerative. Reasons for.

much the same. A great impetus was thus given to wheat cultivation, and a demand created for labour and capital to still further increase its area. An additional supply of labour necessarily means immigration, and more capital certainly implies foreign capital, and therefore probably largely British, in the event of the Argentine Republic inspiring its already many creditors with sufficient confidence to obtain from them more funds. The large amounts of foreign capital in Europe seeking investment naturally find their way to new and younger countries, if these offer reasonable security. To the Argentine Republic it should be of paramount interest to secure that confidence abroad, which is so essential to its material prosperity. New labour and new capital are two things which it cannot do without in its natural economic development.

Increase of demand for labour and capital.

Immigration and foreign capital essential.

Attraction of British capital.

Importance to Republic of inspiring confidence abroad.

The large number of Italians, who form the chief immigration here and are the most suited to the country, have been chiefly instrumental in increasing agriculture, especially wheat-growing. They sometimes bring small capitals of their own, and even without succeed remarkably well, both as agriculturists, as ordinary labourers, and as workmen of every kind. One may say that by far the greatest and best part of labour in this Republic is supplied by these Italians, without whose aid this country would not have made half the progress that it undoubtedly has.

Italians chiefly instrumental in increasing agriculture.

The best labour supplied by Italians.

The Argentine Republic enjoys three remarkable advantages over many other countries for the production of all agricultural and other produce:—

Advantages of the Argentine Republic for agriculture.

1. A good climate and its being able, from its great variety of climate, to produce all known kinds of products within its limits, which comprise tropical regions in the north, temperate in the centre, and cold in the south.

2. Cheap suitable lands and abundance of cattle and horses, which, owing to their enormous numbers, are extraordinarily cheap for all purposes.

3. An almost perfectly level surface over nearly its whole area, making transport, whether by rail or otherwise, easy and comparatively inexpensive.

Another temporary and great advantage has been and is the above-mentioned premium on gold, which enables a wheat-producer to sell his wheat at gold values, and pay all his current expenses and labour at a very low rate in depreciated paper currency. This has made his profits in late years higher than they are ever likely to be again, for it is to be expected that the gold premium will gradually fall with continuous years of good government.

High gold premium an additional advantage.

The Argentine Republic has advantages over the United States as a land for emigrants, especially as regards climate. Comparing the United States in 1880 and the Argentine Republic in 1891 for the production of wheat, the result seems favourable to this country. No State there in 1880 apparently produced as much as here in 1891. The highest in the United States was 119,650 tons per 100 inhabitants in Minnesota, as against 158,438 tons in the

Advantages of Argentine Republic and United States compared.

province of Santa Fé. Even the average production of wheat per 100 inhabitants in the Argentine Republic, *i.e.*, 26,702 tons, is higher than in the United States, where it was 24,732 tons only in 1880, according to the best information available.

Reasons for preference of emigrants for United States are good and stable government.

There is no doubt that one strong reason for emigrants preferring the United States, especially northern races, is the well-known stability of its laws and government as compared with South American fields for emigration. Emigrants do not often leave Europe for political reasons, but with the practical object of materially improving their condition. They naturally prefer, other attractions being equal, a country like the United States of a thorough quiet government to one like the Argentine Republic, where revolutions often occur, and which unfortunately has a European reputation, like many other South American Republics, for frequent disturbances and a comparative insecurity of life and property. Revolutions do very little damage to those who do not meddle in politics. Many of these so-called revolutions are, it is true, only small local risings and even police rows, and do not affect the labouring classes as much as is often thought. It is only such revolutions as those of 1880 and 1890 that affect the rural population much. They are generally a town production, and are often over before the country districts, remote from railways, know anything about them. Colonists are seldom disturbed, as is proved by the large numbers of those that have grown wealthy in spite of them. The newspapers are to a great extent responsible for this wrong impression of the effects of revolutions on the material condition of the labouring portion of this Republic, especially agriculturists. Even during 1890 to 1891, years of revolution and crisis, agriculture advanced immensely, especially in the provinces of Santa Fé and Entre Rios; and large tracts of land, even in the province of Cordova, were devoted to this purpose, as lands were cheaper there than in Santa Fé, the recognised agricultural province. The development of this Republic is not, therefore, so much shattered as is often thought in Europe.

Revolutions affect labouring classes but little.

Colonists rarely disturbed.

Recent revolution and crisis did not prevent large increase of agriculture.

Prevalence of crime detrimental to country's development.

Preponderance of foreign population.

All foreigners shun politics, but own large territories and bulk of all commercial enterprises.

Estimated that three-quarters of cultivated land in European hands.

The amount of crime all over the Republic is alarming and harmful to its development. The population is every day becoming more exclusively foreign, but the government is entirely in the hands of the comparatively small number of pure Argentines—a rather anomolous position—which in the course of years may alter if the enormous foreign element should make its power felt and become a decisive factor in politics. At present all foreigners shun politics, and only busy themselves with acquiring wealth commercially. Foreigners own a large portion of the territory of this country and the bulk of all commercial enterprises of every description, and are yearly acquiring a still larger proportion of the whole. Mr. Theodor Alemann, in his book on the colonies of the Argentine Republic, estimates that three-quarters of the cultivated land in this country is in the hands of Europeans. Some idea of the large transfer of property yearly to foreigners may be seen on consulting my Report, No. 1147, Annual Series for 1892. Perhaps the recent crash and withdrawal of European

credit will cause the Republic to fall back more on its own resources and, therefore, make strenuous attempts to better the administration of the country generally—a step so essential to its interests both at home and abroad.

Desirability of better government important to the country's interests.

It is the opinion of many persons that there never was such an exceptional opportunity of acquiring agricultural lands cheaply as in 1891 and 1892, and even now, though their paper values, much about the same in the last three years, to-day cost the foreigner considerably more in gold than two years ago owing to the fall in the gold premium. There is no doubt that, in consequence of the crisis and depreciation of the paper currency, foreigners had great advantages in the purchase of lands, and at a time when agriculture was making remarkable progress all over the Republic. The increase of agriculture in the province of Entre Rios from 1890 to 1891 has been estimated at 50 per cent. It is easier to become a landowner in the Argentine Republic than in Europe, as is shown by the enormous increase of proprietors of lands, chiefly agricultural, in the province of Santa Fé in late years.

Exceptional cheapness of lands in 1891 and 1892.

Lands still cheap, but dearer than formerly.

Increase of agriculture in Entre Rios 50 per cent. in 1892.

Facility of becoming a landowner.

Mr. Theodor Alemann, who has thoroughly studied questions of colonisation here, says:—"Agriculturists in the wheat districts, where land is cheap and roads are good, make money, and probably more than in any part of Europe. Destitute persons can in a few years become owners of land, and if they conform to the manners and requirements of the country, can even become prosperous and wealthy. It is, of course, exaggerated to say that it is easy for an immigrant without money to gain possession of the land and to be prosperous. He must work hard and give up much. On these conditions the reward of his labour is greater than in Europe, and enables him to lead a life not there attainable."

Ease of making money in wheat-growing.

Reward of labour greater than in Europe.

The most advisable course in theory for the emigrant with money is to come out to the wheat districts with enough to maintain himself and to work hard for two years. Then he should send home for any money he may have, and, with his experience, can invest judiciously in land or enter into partnership. But in practice an emigrant with a small capital comes out here and, for want of practical experience, loses it or is cheated out of it by others.

Practical advice to emigrant with capital to be successful.

In considering the question of the extent to which agriculture can further develop, it must be remarked that such progress is limited by the above-mentioned important factors, labour and capital. The third essential requisite, land, is still plentiful, good, and cheap, and transport is easy, for the wheat-growing region is traversed by 8,000 kiloms. (4,800 miles) of railway, or averaging 68 square kiloms. of land suitable for wheat per kilom. length of line. But the strictly good lands for wheat are limited to parts of Buenos Ayres, Santa Fé, and Entre Rios, and to a little of Cordova, and for sugar, tobacco, &c., to Tucuman and Corrientes. It is said that the increase of cultivated area in the United States is 244,000 hectares (610,000 acres) a year, in Australia some 40,000 hectares (100,000 acres), and the same in Canada. The average increase in this

Future development of agriculture limited by labour and capital.

The third requisite, land, plentiful and cheap.

Wheat-growing region traversed by 4,800 miles of rail.

Comparison of

increase of cultivation yearly in Australia and here.

Republic in late years is perhaps 80,000 hectares (200,000 acres). In Chile the area is supposed to be stationary, or even diminishing.

Immense progress in cultivation of all products.

The last 20 years have shown immense progress and development for every product. In 1892 495,000 tons of wheat were exported, and almost as much of maize, after satisfying all local consumption. Sugar now supplies 75 per cent. of the home consumption. Argentine wines—the quality of which has greatly improved—now furnish about a half of the requisite supply, and imports are yearly diminishing. The same change is taking place with spirits, liqueurs, beer, oils, and many other articles.

Comparison of the years 1869 and 1891 in area cultivated; in length of railways, and freight tonnage; in estimated population.

In 1869, the year of the general census of the whole Republic, 60,000 hectares (180,000 acres) were returned as under cultivation; in 1891 there were nearly 3,000,000 hectares (7,500,000 acres), with an export of agricultural produce of 1,500,000 tons. In 1869 there were only 604 kiloms. (362 miles) of railways open, with a traffic of 206,000 tons; in 1891 there were 12,203 kiloms. (7,322 miles), with a traffic of over 4,500,000 tons of freight. In 1869 the population of the whole Republic was 1,877,000; in 1891 it was estimated at 4,000,000. The cultivation of cereals on a large scale only began in 1877, that of wines and sugar in 1882. So it may be said with some truth that agriculture is almost in its infancy in this country. There are now no really wild Indians in the Republic, except in the Chaco. The few that still exist in the north and south are generally quiet and tamed. But their extermination is quite recent; they were only driven out of the south of the province of Buenos Ayres in 1880 by General Roca's military expedition. So there is nothing now to prevent a peaceful growth of agriculture in all parts of the country.

Few Indians, and mostly harmless.

Driven out of south of province of Buenos Ayres in 1880 only.

The bread supply.

Formerly few persons outside the towns had bread. Even up to 1885 the difficulties of communication prevented many inhabitants from obtaining it. Now the Republic produces sufficient wheat to feed a great deal more than double its present population of about 4,000,000.

Wheat-crop now could support twice the present population.

Probable area cultivated in 1891, 1892, and 1893.

The probable area cultivated in the whole country in 1891 was 3,000,000 hectares (7,500,000 acres), and in 1892 3,500,000 hectares (or 8,887,000 acres). This year it is probably 5,000,000 hectares (12,500,000 acres). It is only in the provinces of Santa Fé, Buenos Ayres, Entre Rios, and Cordova that the cultivation of cereals has so greatly increased in the last 20 years. The region suitable for growing cereals probably covers 95,000,000 to 100,000,000 hectares (about 240,000,000 acres), which shows the possible development of agriculture under favourable circumstances. This fact, combined with this country's millions of cattle and sheep, serves to show the great future importance of the Argentine Republic to Europe as a meat and bread producing country.

Cereal growing, possible area perhaps 240 million acres.

The Republic as a meat and bread supplying country.

Suitability of Republic for production of cereals.

In considering the present condition of agriculture, with special reference to wheat-growing and its probable future, it is essential to study this Republic's suitability for producing cereals, both from a geographical and climatic point of view.

Geographical

Geographically considered, this country shows a remarkable

adaptability for the production of cereals. Out of a total extent of 1,212,600 square miles of territory (2,894,257 kiloms.), some 800,000 miles are, for all practical purposes, a huge flat plain, the remainder being highlands and in the Western Provinces mountainous on approaching the Andes. This flat region, covering four times the area of France, is partly fertile and partly not. The eastern portion, east of longitude 65°, being generally excellent soil. The north-eastern portion of the Republic is drained from north to south by the Rivers Paraná and Paraguay. The River Uruguay forms the eastern boundary, and with the Paraná forms a Mesopotamia, consisting of the well-watered province of Entre Rios and of those of Corrientes and Missiones. In the central portion of the Republic there are practically no waterways. In the far south and still largely unoccupied regions there are several rivers of importance. The water carriage of this country is, therefore, fairly extensive, though the rivers are shallow and only allow of the passage of vessels of light draught. It is only in the estuary of the River Plate, on the Paraná up to Rosario and on the Uruguay (up to Concepcion del Uruguay) that ships of 15 to 19 feet draught can travel all the year round; and perhaps on the Rio Negro, in the far south, for a short distance. The Paraná River, from Rosario northwards to the city of Paraná, only permits of the passage of vessels drawing 15 to 17 feet, and thence to the town of Corrientes (on the borders of Paraguay) of from 8 to 11 feet only. The passage of the Uruguay River above Concepcion and up to Concordia is only possible, at some seasons of the year, for ships drawing 4 to 6 feet.

adaptation to cultivation of cereals.

Two-thirds of Republic a level plain; equals four times area of France.

Soil good east of longitude 65°.

Configuration of the Republic generally.

Water carriage of Republic fairly extensive.

Rivers allowing of 15 to 19 feet draught all the year.

River Paraná.

River Uruguay.

A new passage recently discovered at the bar of Martin Garcia gives an extra foot in depth for all vessels going up the rivers. With a little dredging, it is believed 21 feet could be counted on, and the Argentine Government are trying to effect this in the interests of navigation.

New passage at Martin Garcia bar allows 20 feet draught.

There are over 8,000 kiloms. (4,800 miles) of railway discharging into ports on the River Paraná, which bring all agricultural produce to its banks, as none of its tributaries or streams are navigable to any distance from the main stream.

Railway carriage 4,800 miles of railway discharge into ports on Paraná River.

The railway system of the Argentine Republic is now a most extensive one, thanks to the liberality with which foreign nations, chiefly England, have invested their capital in railways here, and to the level nature of this country, which lent itself to cheap railway construction. In 1885 the cost per mile of the then existing railways was only 5,400*l.* on the average per mile, which increased to 6,000*l.* in 1892, on account of new lines built in the western, and therefore mountainous, parts of the country. In 1885, the average cost per mile was, I believe, 8,000*l.* in Australia.

Railways almost entirely English.

Railway construction cheap.

Cost per mile in 1885 and 1892.

Cost per mile in Australia, 8,000*l.*; here, 6,000*l.*

This cheapness of railways is of great importance in enabling a rapid development of agricultural products by providing extensive and easy transport. Wheat in this Republic, from the furthest

Extensive and cheap transport. Combined

freights by rail and sea to Europe low for wheat.

point where it is grown, often pays less combined freights by rail and water to Europe than from many parts of the United States. No point of the wheat district here is further than 360 miles from the River Paraná or Atlantic coast, and railway freight is therefore low.

Tobacco, sugar, and wines bear freights to inland provinces. Freights heavier than in United States because of all coal imported. Coal and wood as fuel for engines.

Other crops, such as tobacco, sugar, and wines, grown mostly in more distant parts, but, owing to their far greater value for the same bulk, can support the heavier freights. In this country, as far as I can gather, freights appear to be heavier than in the United States, on account of the excessive cost of coal, which varies from 2*l.* 10*s.* to 2*l.* 15*s.* a ton for stoking engines, and is all imported from Europe. It is only in the far north, in the provinces of Jujuy, Salta, and Tucuman, and part of Cordova, that wood is plentiful enough for consumption as fuel.

Communications with Europe. Ten regular lines of English steamers. Freights by ship on cereals.

There are 23 steamer companies trading regularly to the port of Buenos Ayres, of which 10 are English. Many other independent steamers come out to load wheat in January to April. An average of 50 steamers enter the River Plate every month. Freights usually vary for cereals from 15*s.* to 22*s.* per ton.

Climate.

Climate.

Climatic influences are all-important to agriculture and, under this head, the Argentine Republic has great advantages. The

Northern parts tropical. Mass of lands in the temperate zone. Far south cold. Chebut Welsh Colony.

most northern parts of the provinces of Jujuy and Salta only are within the tropics proper (Tropic of Capricorn), though the provinces of Tucuman, Santiago del Estero, Missiones, and the Governments of the Chaco and Formosa are all practically tropical. All the broadest part of the country and the mass of its lands lie in the temperate zone and south of latitude 30°. Patagonia lies in the cold regions; there one finds little cultivation, except at the Welsh colony of Chebut and at a few other points.

Temperature. Rapid and sudden changes of temperature. Snow unknown north of Rosario. Frosts frequent in south of province of Buenos Ayres. Plantations of trees prevent frosts.

The temperature varies from 40° to 5° Celsius (104° to 41° Fahr.), 40°, however, being rare. Great and rapid changes are not uncommon; a difference of 20° Celsius (68° Fahr.) has been known to occur in a day, and I am told of even 40° Fahr. in 3 hours. Snow is unknown north of Rosario; and it is only so far south as Bahia Blanca (latitude 39° south) that the ground is sometimes covered with snow or a thin layer of ice for any time, and that only in the early morning. The southern parts also suffer from frosts, which sometimes destroy the crops; and it is said that one cannot count on not having them for more than two months in the year. It has been noticed that in districts where trees have been planted frosts do not occur as frequently as formerly.

COFFEE BEARING ZONE OF BRAZIL.

Old coffee lands.

New lands in bearing.

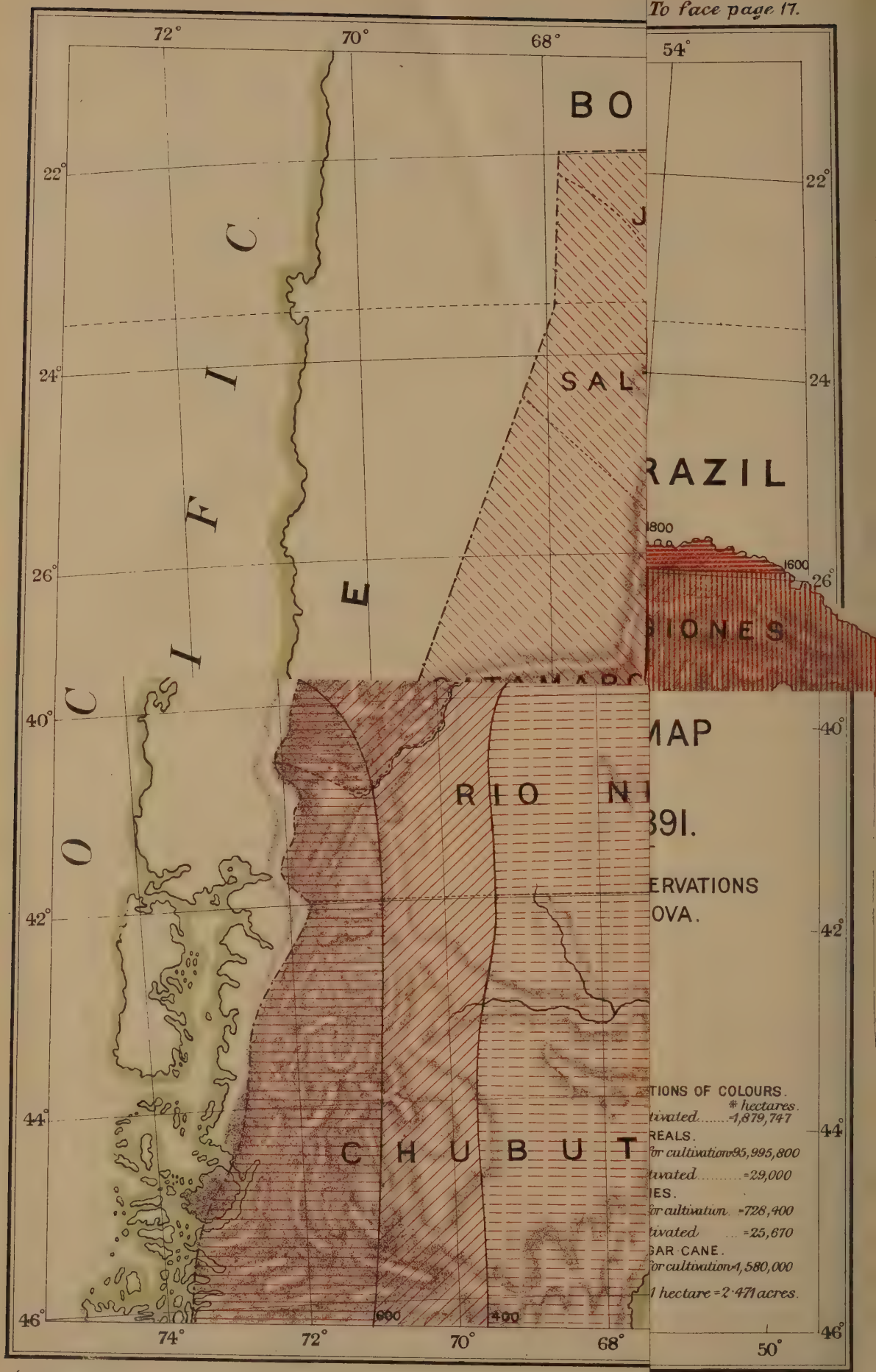
Lands in full bearing.

Untouched coffee lands.

(1325.12/92.1422)

Harrison & Sons. Lith St. Martins Lane W.C

To face page 17.



(1325. 8/93. 1604)

TABLE showing climate of the Republic. (*See* map.)

Table of climate of Republic.

Towns.	Average in Millimetres.			Average Temperature.	
	Rainfall in Year.	Number of Rainy Days.	Barometrical Pressure, Sea Level.	Celsius.	Fahrenheit.
Paraná	955·4	72	755·25	18·49	65·4
Rosario	981·7	77	759·40	17·50	63·6
Concordia	1090·8	74	757·59	18·86	67·8
Buenos Ayres	894·1	62	760·53	17·16	62·8
Bahia Blanca	488·2	53	756·15	15·26	59·2
Chebut	207·0	No data.	757·37	13·21	56·0

The further north one goes the greater is the rainfall; and the further away the lands are from the course of the Paraná river, the less rain there is. Rains and winds.

The ruling winds are north-east; the dews are heavy, and the average damp in the air is said to be 780. Though the rains are not equal every year, and though every year is not equally sunny, the great variations of climate are not so disastrous to the crops as is generally supposed. Ruling winds. Average damp in air, 780.

For the distribution of the rainfall all over the Republic, see the accompanying Agricultural and Climatic Map, where the rainfall is given according to the National Observatory of Cordova. Rain distribution according to Cordova Observatory.

Water is generally found at a depth of 3 to 15 mets. (3½ to 17½ yards). Water found 3½ to 17½ yards down.

As agriculture depends so largely on rains, irrigation, proximity to forests, as well as on the nature of the soil, a short account of the configuration of the land and of the vegetation in the wheat-growing districts will be of interest. Land, which at the city of Buenos Ayres has but a few yards elevation, gradually rises the further westwards one goes till it reaches a height of only some 100 yards at the western edge of the province of Buenos Ayres 500 kiloms. (300 miles) distant. From latitude 30° to 34° south land only averages 26 to 55 yards above the sea-level; 500 kiloms. (300 miles) south of Buenos Ayres city it rises to 150 yards. It is only after passing longitude 63° west that the land begins to rise up to the town of Mendoza, which stands about 724 yards high. This gives some idea of the great flatness of these regions. Configuration of land of wheat-growing districts. Average height of land above sea-level.

The actual area cultivated will now be considered. The figures for the years 1890–91 will first be quoted as given by the best available authorities on the subject. Mr. A. Fliess' annexed map gives the region fit for cultivation of cereals, and therefore of wheat, at 95,995,800 hectares (239,989,000 acres), and that district is there denoted by close parallel lines, yellow indicating the region fit for growing cereals, pink that for vines, and green that for sugar. The actual area cultivated of each is shown by blocks of yellow, pink, and green. Giving these possible areas does not imply any probability of such an extension. Total area cultivated. Denoted on annexed agricultural map by parallel lines; cereals by yellow; sugar by green; vines by pink.

The comparative areas for cereals and other cultivation in 1891 is best shown graphically by the accompanying diagram, where great Preponderance of agriculture in

Provinces of Buenos Ayres and Santa Fé.

preponderance of agriculture in the two provinces of Buenos Ayres and Santa Fé is very marked. Between them they comprise over one-half of the whole.

Proportion of cereals to other cultivation increasing.

The proportion of cereals to other cultivation has, since 1891, been continually increasing.

The estimated areas of the chief crops in the different provinces in 1890–91 are here tabulated, as given by Mr. Fliess.

Percentages of wheat, maize, alfalfa, vines, and sugar.

Here wheat forms 40 per cent. of the total cultivation, maize, 20 per cent.; alfalfa, 20 per cent.; vines, 1 per cent.; and sugar, 1 per cent.

Taking whole Republic, only 1 in 100 hectares is cultivated.

Comparing the whole area of the Argentine Republic with that portion under cultivation, only 1·003 in 100 hectares is cultivated.

Compared with other countries.

Comparing it with other countries on this basis, this Republic is very low down, but taking the four agricultural provinces of Santa Fé, Buenos Ayres, Entre Rios, and Cordova only, it stands high up.

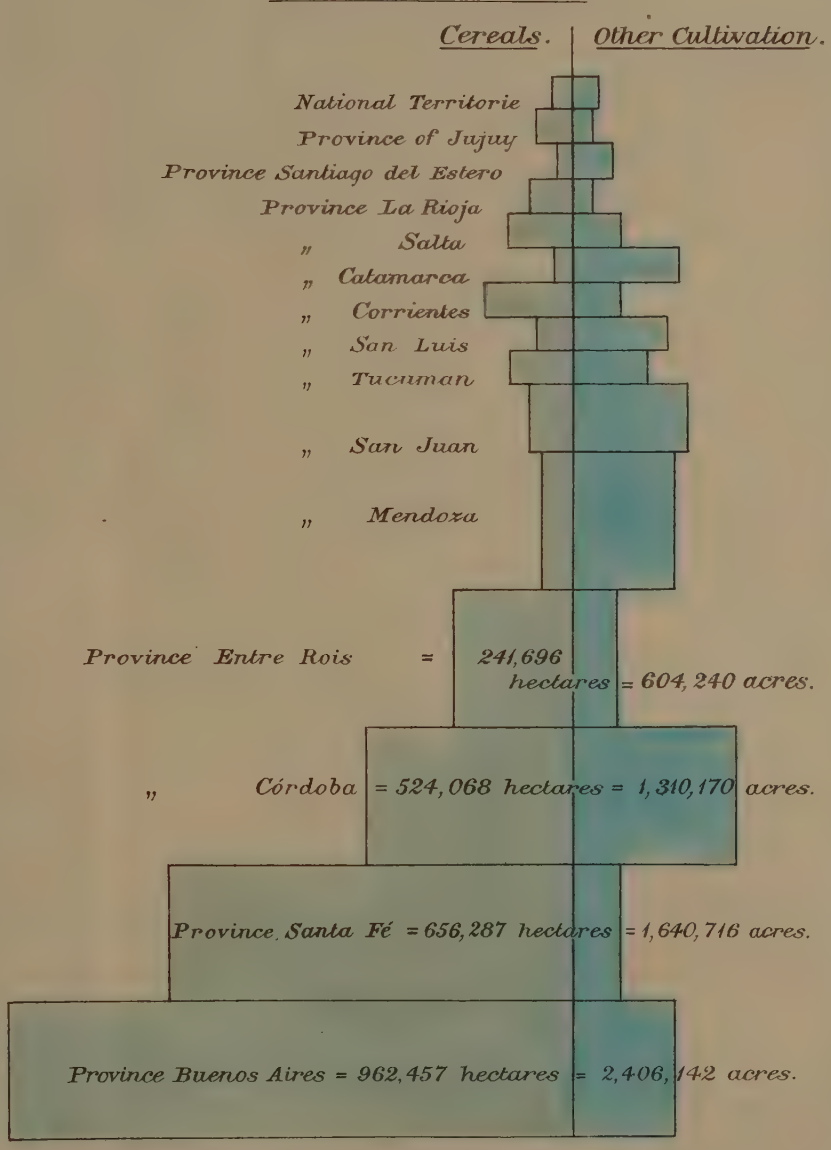
Cultivated hectares per inhabitant in 1892 about 210 acres.

In 1891 to 1892 the number of hectares cultivated per 100 inhabitants, based on a possible population of 4,200,000, is, therefore, about 84 (210 acres), or about what it is in France, and higher than in Italy and Spain. In 1890 to 1891 the area per 100 inhabitants was only some 70 hectares (175 acres).

To face page 18.

TABLE OF CULTIVATION IN 1891,
DISTINGUISHING CEREALS IN EACH PROVINCE.

SCALE.
1 m. m.$^{\square}$ = 500 hectares.



Argentine Republic Area = 292,000,000 *hectares* = 729,000,000 *acres.*

Total Area cultivated = 2,996.048 *hectares* = 7,490,200 *acres.*

(75 9/93. 1604-38)

HARRISON & SONS, LITH. ST MARTINS LANE, W.C.

RETURN of Areas of Chief Crops in 1890 to 1891 in hectares.

Province.	Wheat.	Maize.	Barley and Rye.	Linseed and Rape.	Canary Seed (Alpiste).	Lucerne (Alfalfa).	Maní.	Sugar Cane.	Vines.	Tobacco.	Rice.	Coffee.	Other Cultivation.	Total area cultivated.	
														1890 to 1891.	1891 to 1892.
	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares	hectares
Buenos Ayres	323,662	470,586	18,170	29,188	540	82,560	...	...	5,600	...	...	...	32,151	962,457	1,106,825
Santa Fé	528,023	57,073	2,102	22,680	650	20,772	7,516	...	300	...	...	...	17,171	656,287	793,684
Cordova	174,033	111,683	15,307	5,000	5	188,466	170	...	576	1,329	...	...	27,499	524,068	680,101
Entre Ríos...	129,780	48,912	416	871	26	25,125	1,468	...	1,499	418	...	...	33,181	241,696	306,555
Mendoza	12,000	30,000	2,500	...	...	125,260	...	...	8,961	...	...	...	12,238	190,959	200,000
San Juan	6,000	10,000	500	...	...	75,006	...	...	8,350	...	...	...	11,000	111,356	121,356
Tucuman	1,500	20,000	1,500	...	...	1,104	...	21,881	...	2,000	1,000	15	1,000	50,000	55,000
Corrientes	250	28,795	127	...	...	1,585	1,858	...	...	1,160	...	...	12,856	46,631	47,000
San Luis	6,552	5,497	...	...	...	32,592	...	...	1,023	...	...	...	2,000	47,664	60,000
Catamarca	1,334	3,259	...	...	...	9,308	...	...	820	86	...	...	29,811	44,618	46,000
Salta	6,848	13,840	1,747	...	...	14,202	28	475	926	100	110	4	1,976	40,250	42,000
Rioja	6,030	9,021	24	34	...	4,697	42	2	560	...	...	...	1,807	22,217	24,000
Sántiago del Estero	500	2,585	...	...	...	15,178	...	516	...	...	...	...	1,609	20,388	25,000
Jujuy	4,094	8,244	499	...	...	...	...	1,095	...	...	416	7	4,639	18,994	20,000
National Territories	1,622	6,000	600	250	...	6,000	400	1,701	...	100	5	...	1,779	18,457	20,000
Total	1,202,228	825,495	43,492	58,023	1,221	601,855	11,482	25,670	29,115	5,193	1,531	26	190,717*	2,996,048	3,547,521

* This is supposed to include vegetables consumed in large towns, but area is probably far greater.

ESTIMATED Return of all Agricultural Produce in 1891 in 1,000 tons, according to Mr. Fliess.*

Provinces.	Wheat.	Maize.	Barley and Rye.	Linseed and Rape.	Canary Seed (Alpiste).	Alfalfa (Lucerne).	Maní.	Sugar.	Vines‡ (hectares).	Tobacco.	Rice.	Coffee.	Other products.	Total § Values in £1,000.	Value per inhabitant.	Value per Hectare.
														£	£ s. d.	£ s. d.
Buenos Ayres	355	470	20	30	...	483	...	...	...	...	...	Quantity unknown. Value, perhaps, £400.	Value about £1,676,000.	5,730	7 4 0	6 0 0
Santa Fé	507	50	6	20	(600)	500	6	...	...	...	...			5,680	17 16 0	8 13 0
Cordova	106	167	15	4	(5)	1,884	(170)	...	560	(200)	...			5,600	14 4 0	10 14 0
Entre Rios	116	25	(426)	(122)	(26)	50	1	...	1,449	(85)	...			1,480	4 8 0	6 2 0
Mendoza	15	60	2	...	...	1,250	...	...	8,961	...	...			3,480	21 0 0	18 4 0
San Juan	15	32	1	...	...	850	...	...	8,850	...	...			2,460	19 12 0	22 2 0
Tucuman	1	40	1	...	...	11	...	670	...	3	2			1,340	11 4 0	26 19 0
Corrientes	2	28	(121)†	...	...	15	(120)	...	...	1	...			525	2 4 0	11 4 0
San Luis	6	18	4	...	...	325	...	...	1,023	...	...			819	6 16 0	17 4 0
Catamarca	1	6	...	...	...	93	...	...	820	(140)	...			598	4 13 0	20 1 0
Salta	6	25	1	...	...	142	(32)	2	...	(150)	(800)			483	2 12 0	12 0 0
Rioja	6	18	(26)	(40)	...	47	(60)	...	560	...	...			250	2 12 0	11 6 0
Sántiago del Estero ...	5	6	...	...	...	130	...	13	...	...	...			342	1 10 0	16 16 0
Jujuy	4	16	(500)	...	...	...	...	26	...	...	(200)			161	1 12 0	8 9 0
National Territories ...	2	5	...	...	...	20	...	10	...	(150)	...			107	0 3 0	5 16 0
Fliess' totals	1,130	968	49	54	(631)	5,805	7	721	...	5	3			29,126	6 14 0	9 14 0

* Less than 1,000 tons are put in brackets. † Includes fruit and potatoes. ‡ Number of hectares. § These values will be much less owing to over-valuation of ton of alfalfa and wheat.

Fliess' calculation, therefore, gives a productive value of nearly 7*l.* per inhabitant and of 10*l.* per hectare (2½ acres) for the whole Republic; this, of course, varies greatly in the different provinces. The highest value produced per inhabitant is found in the province of Mendoza with 21*l.*, which is accounted for by the valuable produce of the vineyards and of alfalfa, the province of Santa Fé coming only third with 17*l.* 16*s.*, due to the valuable wheat crops. The province of San Juan produces 19*l.* 12*s.*, also due to wine-growing. As regards value per hectare, the province of Tucuman stands first with 26*l.* 19*s.* (or about 11*l.* per acre), the result of its valuable sugar crops. The wheat crop alone of Santa Fé represented in 1891 perhaps some 4,000,000*l.*

Productive value perhaps 7*l.* per inhabitant and 4*l.* per acre.

Highest value per inhabitant in Mendoza.

Highest value per acre in Tucuman, 11*l.*

Wheat-crop of Santa Fé estimated at 4,000,000*l.* in 1891.

These calculations are based on the assumption that the average crops fetch the following average prices:—

Average value of crops per 2½ acres (hectare), by Fliess.

	Value of yield per hectare. £ *s.* *d.*
Wheat	7 10 0
Maize	3 10 0
Rye and barley	6 16 0
Linseed and rape	7 10 0
Lucerne (alfalfa)	19 0 0
Maní	6 14 0
Sugar	29 17 0
Vines	53 13 0
Tobacco	154 0 0
Rice	55 2 0

These values, especially for alfalfa and wheat, are considered much too high by some persons, and have been greatly criticised. The mistake in value of alfalfa is that Fliess based his value on the number of tons of green alfalfa, instead of on the number of tons of compressed hay alfalfa, to make a ton of which requires 3 tons of green stuff.

These values considered high.

It appears that the value of crops of wheat and oil-plants per hectare is greater in France than here, probably due to the ground not being properly prepared in this country. But the cost of production is, apparently, much lower here, and for tobacco, vines, and forages the yield in this Republic is greater than in France.

France and this country compared for wheat and oil-plants. But cost of production lower here. Tobacco, wines, and forages.

On the attached agricultural map the total area fit for the cultivation of cereals is estimated at 95,000,000 hectares to 100,000,000 hectares (240,000,000 acres), of which nearly 66,000,000 hectares (165,000,000 acres) are in the four provinces of Buenos Ayres, Santa Fé, Cordova, and Entre Rios. These four provinces represent a cultivated area in 1891 of 2,384,000 hectares (5,960,000 acres) out of a probable total of 3,000,000, or about three-quarters of the whole. Of these 2,384,000 hectares (5,960,000 acres), cereals covered 1,879,000 hectares (4,657,000 acres) at least, or about 80 per cent. of the cultivated area in the four provinces.

The four provinces of Buenos Ayres, Santa Fé, Cordova, and Entre Rios. Represented in 1891 nearly 6,000,000 acres, or three-quarters of whole cultivation. 80 per cent. cereals.

The various areas of crops in 1891 are as follows:—

RETURN of Crops in Four Chief Provinces, 1891, in hectares.

Provinces.	Inhabitants.	Area suitable for cultivation.	Area cultivated.	Wheat.	Maize.	Barley and Rye.	Total Cereals.	Other cultivation.
Buenos Ayres	800,000	31,137,700	962,457	323,662	470,586	18,170	812,418	150,039
Santa Fé	320,000	12,435,000	656,787	528,023	57,073	2,102	587,198	69,079
Cordova..	300,000	14,788,700	524,068	174,133	111,683	15,307	179,108	222,995
Entre Rios	330,000	7,545,700	241,696	129,780	48,912	416	301,023	62,588
Totals	1,750,000	65,877,100	2,384,508	1,155,598	688,254	35,995	1,879,747	504,701

These four provinces, therefore, contain 77 per cent. of the whole area cultivated, leaving only 23 per cent., or some 615,000 hectares (1,537,500 acres), for all the other 10 provinces and various national territories. Comparing this cultivated area with the total area of the 4 provinces it is seen that only 3½ per cent. of their surface is cultivated, but of this latter 78 per cent. consisted of cereals in 1891.

Form 77 per cent. of total cultivated area.

The cultivation in 1890–91 may be analysed thus :—

Analysis of crops.

Wheat 48½ per cent.

1890–91.	Proportion of each Crop.	Average Number of Hectares per 100 inhabitants.
	Per Cent.	
Wheat	48½	63
Maize	28½	37
Other Crops	23	30

Hence wheat formed nearly 50 per cent. of the whole, and the average number of hectares cultivated per 100 inhabitants in these 4 provinces was about 130 (325 acres).

It will further be interesting to note the respective proportions in each of the different crops. This is shown by the following table :—

Proportions of crops in four provinces of Buenos Ayres, Santa Fé, Cordova, and Entre Rios.

RETURN of Agriculture in the Four Chief Provinces in 1891.

Province.	Of every 100 hectares.							Production per 100 hectares cultivated, in kilograms.	
	Of whole Surface.		Cultivated with						
	Cultivated.	Colonised.	Cereals.	Wheat.	Maize.	Barley and Rye.	Other Crops.	Wheat.	Maize.
Buenos Ayres	3·07	..	85·52	34·62	48·89	2·01	14·48	34,702	48,937
Santa Fé	4·98	24·20	89·46	80·45	8·69	0·32	10·54	77,254	7,619
Cordova	2·99	6·21	57·45	33·22	21·31	2·92	42·55	20,383	31,966
Entre Rios	3·20	8·43	74·11	53·70	20·24	0·17	25·89	1,543	10,550
Average production							Total, Four Provinces	44,673	29,903
							Whole Republic	37,735	32,310

Description of the region of cereals.

The region of cereals of the Argentine Republic may roughly be described as extending from latitude 30° to 41° south, and is bounded westwards by longitude 65° and eastwards by the River Uruguay and Atlantic coast, or, in other words, this region includes roughly the three provinces of Santa Fé, Entre Rios, and Buenos Ayres, and the eastern portion of that of Cordova. In the greater part of this immense plain wheat will grow satisfactorily without artificial irrigation. But south of latitude 41° and west of longitude 65°, rains do not come regularly enough and irrigation is a necessity which might be made possible in the far south along the Rivers Colorado and Rio Negro to a point much further west, should it ever be profitable to so far extend cultivation in future years. That wheat and other crops do well even much further south is shown by the satisfactory crops of the Welsh Chebut colony in latitude 43°, south. With irrigation, wheat will also grow in the territories of Nequen, Rio Negro, Chebut, and Santa Cruz—better known, geographically, as Patagonia—and may supply all local wants, but probably not much more, except perhaps from the Chebut colony, and from the neighbourhood of the town of Santa Cruz, where agriculture and sheep-raising are now rapidly extending, and which is partly due to many persons in the English colony of the Falkland Islands buying lands there, finding the territory in their own islands insufficient for the extension of their occupations. Those regions are, however, far better suited to cattle-raising. Perhaps, in the course of time, when the above-mentioned possible wheat region is more devoted to agriculture than at present, Patagonia may become a large cattle-raising district, while the more northern portions of the Republic may be devoted more to only fattening cattle by rich pasture and agricultural products, as has been largely done lately, especially by alfalfa (Lucerne) growing in the province of Cordova.

Irrigation necessary in far south.

Welsh Chebut Colony.

Patagonia.

English Colony of Falkland Islands.

Patagonia as cattle-raising region.

Vegetation changes N. of lat. 30°, W. of 65° long.

Sugar, tobacco, rice.

North of latitude 30° and west of longitude 65° the vegetation changes, woods appear alternating with open lands. Here agriculture is only carried on near the railways and purely for local consumption. The heavy freights south and east prevent any transport of cereals as a rule, and only the more valuable crops, such as sugar, tobacco, and rice, find their way out to the provinces of Santa Fé and Buenos Ayres for consumption there.

Three distinct regions developing (1) cereals, (2) vines, (3) sugar.

Mr. Fliess, in his agricultural map, points out that three distinct regions are beginning to outline themselves distinctly in this country.

1st. Cereals. 2nd. Vines. 3rd. Sugar.

Shown on agricultural map.

For these three he attempts in his map to show roughly their respective areas, denoted by yellow, pink, and green. To obtain an exact map of agriculture in this Republic will be impossible for many years to come, and will require better and more extensive statistical labour than the National and Provincial Governments at present devote to this subject.

Government statistics scanty on agriculture.

The following table shows how the area suitable for cultivation is obtained:—

Table of possible area of cultivation without irrigation.

TABLE showing possible area of cultivation for Cereals, without irrigation.

Provinces.	In square kilometres.			
	Total Area of Province.	Area between Lat. 28° and 40°, Long. 66·30°, and River Uruguay.	Area deducted for woods, &c.	Area suitable for cultivation.
Buenos Ayres ..	311,377	311,377	15,377	296,000
Santa Fé	131,582	124,350	4,000	120,350
Cordova	174,767	147,587	5,000	142,587
Sántiago del Estero ..	102,355	20,547	1,000	19,547
Entre Rios	75,457	75,457	10,457	65,000
Corrientes	81,148	81,148	6,000	75,148
San Luis	75,518	58,458	9,518	48,940
Rio Negro and Pampa Central.. ..	357,082	194,386	2,000	192,386
Totals	1,309,286	1,013,310	53,352	959,958

Fliess' area suitable for cultivation, 239 million acres.

The area, as calculated by Mr. Fliess, suitable for cultivation is, therefore, 959,958 square kiloms., or 95,995,800 hectares (239,989,000 acres), an estimate probably considerably too high.

Nature of soil of district suitable for cultivation.

Its thickness.

This district has a layer of "humus" 15 to 75 centims. (6 to 30 inches) thick, and in places, generally near the estuary of the River Plate and River Paraná, even 80 to 90 centims. (32 to 36 inches). This layer gets thinner the further west one goes, and in long. 63° begins to be sandy. Its thickness varies greatly, and has been found 70 centims. (28 inches) deep as far west as long. 66°. In the province of Entre Rios the layer of "humus" is said to be never less than 45 centims. (17½ inches) thick.

Frosts unknown in Entre Rios.

Frosts are never known in that province, and the crops are, therefore, safer.

In cereal region wheat, maize, barley, rye, oats, alfalfa, and oil-giving plants thrive.

Furthest point of region 360 miles from a port.

Wines, tobacco, fruits, sugar.

In this possible region of cereals grow wheat, maize, barley, rye, oats, linseed, and other oil-giving plants, potatoes, and alfalfa (Lucerne). The districts most suitable for cereals and oil-giving plants, which require low freights to make their transport profitable, lie north and south along the Rivers Paraná and Uruguay, and along the Atlantic coast. The furthest point of this region is only 600 kiloms. (360 miles) from a port. A greater distance would, perhaps, take away the profit. From further west than this only such valuable produce as wine, tobacco, fruits, and sugar can bear the cost of carriage to the rivers or coast. Some cereals will grow even in the far north and south of the Republic. Maize and wheat grow on the highlands in the provinces of Jujuy and Tucuman in the north, and on the flat lands at Chebut and Santa Cruz in the south.

Description of the wheat-growing region.

The present essentially wheat-growing region consists mainly of a fairly even flat district, bounded on the north by the woods of

the Chaco, and on the south by the Curumalan and Tandil hills in the southern part of the province of Buenos Ayres. This plain, which is narrow in the north, and bounded on the east by the River Paraná, spreads to a broad base in the south, having an average width of 300 kiloms. (180 miles).

A plain narrow in north, broad in south.

This district belongs to what is often called Pampa lands. Its upper soil is 15 to 25 centims. (6 to 11 inches) thick. Under that comes a clayey, sandy layer, and the lowest stratum is clay, at a depth of 1 yard or so. This layer does not let through rain-water, and often causes water to be found at less than a yard down. From 3 to 17 yards deep a good layer of water is found, which usually furnishes the fresh drinking water; it is rarely brackish.

Pampa lands. Soil 6 to 11 inches deep.

Water near surface.

The soil of the province of Santa Fé must be considered to be most productive, and, though the land in some colonies is beginning to be exhausted, there are colonies which still produce excellent wheat crops, and have produced them for the last 25 years without any form of manuring or any system of rotation of crops, or of allowing the land to lie fallow.

Soil of Santa Fé good.

Some colonies have produced good wheat for 25 years.

In the provinces of Entre Rios and Buenos Ayres the lands are often said to be richer, but they are generally much dearer and quite out of the reach of penniless emigrants. The cheapest are perhaps in the eastern part of the province of Cordova, which has only become quite recently a wheat-growing region and a most satisfactory one.

No rotation of crops.

Good wheat lands cheap in Cordova.

The centre of the wheat-growing region—which a few years ago consisted of the middle portion of the province of Santa Fé—north of Rosario City and south of the town of Santa Fé—is now undoubtedly that portion of the province lying between the Central Argentine Railway on the north and the Pacific Railway on the south. It is bounded in the west by the Rufino and Villa Maria Railway, and in the east by the River Paraná, which within the above area has the ports of Rosario, San Nicolas, Villa Constitucion, and Campana, not to speak of the port of Buenos Ayres in the estuary of the River Plate; and the intermediate space between those two main lines are two other railways running more or less in parallel lines east and west, namely, the Rosario and Cruz Alta (better known as Juarez Celman) Railway, and then the Villa Constitucion and Carlota Railway, both terminating in ports on the River Paraná (ports of Rosario and Villa Constitucion). Only 7 years ago, in the region traversed by these two railways, agriculture was almost unknown. Now it promises fair to become an exclusively agricultural district, the area devoted to stock-raising becoming rapidly less.

The centre of the wheat-growing region.

Now between Central Argentine and Pacific Railways.

Bounded on east by Paraná on which several ports.

Well traversed by railways.

Seven years ago no agriculture in this present centre of wheat-growing.

This present centre of the wheat-growing district has been thus described by Mr. Niederlein, who is an authority on agricultural and other questions:—

Description of wheat-region by Niederlein.

"The southern zone, from 32° southwards, shows at first here and there a few trees and bushes, but soon becomes a long, slightly rolling open country with hardly a tree, and well covered with good tender grasses suitable for pasture. Lagoons and small

marshes become rarer. The streams are short and lead straight to the River Paraná, running almost parallel to one another.

"Rain water in districts further than 15 kiloms. (9 miles) from that river usually collects in lagoons or 'cañadas.'

"This region forms the best wheat lands, and, as it is almost invariably even and free of trees, is most suitable for agriculture as well as stock-raising, The rains penetrate into the soil without running away, and are, therefore, almost everywhere of direct benefit. It is for this reason that this district, as compared with others where the rainfall is heavier, gets an important compensation. The absorption of the rain by the soil in these flat districts is naturally much greater when the land has been broken up or ploughed. In agricultural districts the small streams dry up from the cultivated lands absorbing the whole rainfall."

Before considering the amount of agricultural produce exported, I append an interesting table of the chief necessaries of life, comparing the amount imported with that locally produced in 1891 :—

TABLE of Necessaries of Life imported and locally produced in 1891 in tons.*

Table of necessaries of life imported and locally produced.

Articles.	Local Production.	Imported.	Total.	Exported.	Local Consumption.
Meat	839,635	nil.	839,635	174,635	665,000
Wheat...	1,130,568	nil.	1,130,568	‡400,816	729,751
Maize	968,014	nil.	968,014	58,317	909,696
Rice	3,200	11,836	15,036	...	15,036
Sugar...	43,373	12,835	56,208	9	56,199
Coffee...	5	1,864	1,869	...	1,869
Tea	nil.	264	264	...	264
Yerba maté	? nil.	17,825	17,825	...	17,825
Cheese	600	154	754	...	754
†Wines	62,120	32,472	94,592	...	945,592
Spirit	6,247	588	6,836	...	6,836
Beer	12,895	165	13,060	...	13,060

* 1 kilo. = 2·2 lbs, and 1 ton = 1,000 kilos., and 1 litre = 0·22 gallon.
† In 1,000 of litres.
‡ This includes 7,000,000 kilos. of flour allowing 70 kilos. flour to 100 kilos. wheat.

Consumption here of meat per inhabitant high.

The Argentine Republic consumes over 157 kilos.* of meat per inhabitant per year, or more than any other nation ; in England it is 65 only, and in Italy 15. The consumption of sugar is 13 kilos. per inhabitant. Coffee and tea have hardly any consumption here among the bulk of the population, *i.e.*, the lower classes, its place amongst them being taken by "yerba maté" (Paraguayan tea), of which 4 kilos. per head is used yearly. Much the same amount of wine is drunk as in Austria and Italy, namely 20 litres (4½ gallons) per person.

Small consumption of tea and coffee. Its place taken by "yerba maté." Consumption of wine 4½ gallons per person.

As regards wheat the consumption is about on a par with Austria-Hungary, and lower than in England, being 172 as against 167 and 193 kilos. respectively.

* 1 kilo. = 2·2 lbs.

This large agricultural produce of the Argentine Republic gives rise to a large traffic by land and water, of which the following table will give some idea of the amount of produce shipped from Argentine ports in 1891, and show the proportion dispatched from the province of Santa Fé.

Traffic in agricultural produce.

RETURN of Agricultural Produce shipped from Argentine Ports in 1891 in tons.

Articles.	Whole Republic.			Province of Santa Fé.		
	To Argentine Ports.	To Ports Abroad.	Total.	To Argentine Ports.	To Ports Abroad.	Total.
	tons.	tons.	tons.	tons.	tons.	tons.
Wheat	215,792	397,730	613,522	159,083	209,031	368,114
Maize	43,550	65,358	108,908	14,349	743	15,092
Alfalfa	1,751	28,947	30,698	646	22,039	22,685
Flour	24,459	6,061	30,520	19,488	3,104	22,592
Linseed and Rape ...	18,209	13,104	31,313	14,645	2,215	16,860
Potatoes	9,728	2,678	12,406	8,539	351	8,890
Maní	4,783	661	5,444	4,271	39	4,310
Sugar	1,678	20	1,698	401	1	402
Rye and Barley ...	75	136	211	23	nil	23
Totals	320,025	514,695	834,720	221,445	237,523	458,968

Table of all produce shipped in 1891. Whole Republic and Province of Santa Fé compared.

According to official returns the value exported of all agricultural products between 1880 and 1890 was over 22,000,000*l.*, of which cereals formed about 20,000,000*l.* In 1891 the value of the total production of agricultural produce in the Argentine Republic was probably from 4,000,000*l.* to 5,000,000*l.*

Estimated value of exported agricultural produce 1880 to 1890 over 22,000,000*l.*, of which 20,000,000*l.* cereals.

The export trade is now tabulated approximately for the last 14 years according to official returns of the Argentine Government:—

RETURN of Exportation of Agricultural Produce, from 1880 to 1893, in tons.

Year.	Wheat.	Flour.	Maize.	Alfalfa Hay.	Linseed.	Bran.	Maní.	Rape and Alpiste. †	Barley and Rye.	Potatoes.	Totals.
1880 * ..	1,165	1,423	15,032	9,231	957	2,191	164	13	556	9,231	31,013
1881 * ..	157	1,287	25,052	2,352	6,394	1,847	1,027	5	255	2,352	38,453
1882	1,705	548	107,327	10,771	23,351	1,678	422	..	1,100	10,771	147,234
1883	60,754	4,844	18,634	11,460	23,061	2,909	2,617	963	177	11,460	126,806
1884	108,499	3,734	113,710	11,864	33,991	3,226	1,992	214	362	11,846	277,888
1885	78,493	7,447	197,859	13,765	69,426	5,758	2,229	1,112	2,109	13,765	378,684
1886	37,864	5,262	231,660	12,408	37,689	2,661	769	2,448	876	12,408	331,712
1887	237,865	5,101	361,844	12,375	81,208	4,194	3,367	1,540	825	12,375	708,514
1888	178,928	6,392	162,307	9,250	40,222	1,325	1,393	1,563	234	9,250	401,686
1889	22,806	3,360	432,590	20,434	28,195	2,382	240	1,110	231	20,434	511,719
1890	327,894	12,017	707,281	19,121	630,720	2,833	789	803	1,308	19,121	1,103,642
1891 * ..	395,794	7,015	58,317	30,003	6,521	6,525	631	193	136	279	505,135
1892	470,109	18,849	445,935	39,209	42,987	22,085	542	19	996	10,044	1,208,969
1893, 3 months	225,720	7,462	6,930	6,251	51,745	987	nil.	85	60	1,488	..

* In these years locusts destroyed large portions of the crops.
† Alpiste = canary seed.

The decrease in the export of some articles, such as linseed, since 1885, and maní, since 1888, does not imply a decrease in the production of those products. On the contrary, there has been a very great increase, but the local home consumption has been enormously increased by the rapidly increasing national manufacture of oils, which was not the case formerly. And the importation of foreign oils has decreased correspondingly.

Decrease in export of linseed explained.

Local consumption of linseed greatly increased.

Agriculture is hampered by various causes, diseases, climatic accidents, and destructive insects. Locusts are by far the most destructive to the crops, and have for many years at intervals devastated the northern provinces. Their appearance in the southern parts of the province of Buenos Ayres is a comparatively new departure. To a certain extent they seem periodical, there being years occasionally almost free from them. Fortunately for wheat they come at a time when they do little harm. But for maize it is different, locusts come just at the wrong time, when it is still young and tender, and it does not recover as the wheat often does. The hopping locusts hatch in October and November after 40 days as eggs. Their devastations in recent years have become so disastrous that various provinces have passed special laws to compel an organised combination to destroy them, and considerable sums of money to reduce their numbers, as their extinction is impossible. Effective measures against them are the more difficult here, where the country is so sparsely populated. It is said that the more cultivated a district is the less locusts there are. In any case, in well cultivated districts there is more population than elsewhere, which is better able to make an organised resistance.

Accidents detrimental to crops.

Locusts.

Often periodical.

Do little harm to wheat; most destructive to maize.

Hatch in October and November.

Laws passed to compel organised combination to destroy them.

The "isoca" is another destructive insect which particularly attacks linseed when just sown, devouring the soft part of the seed.

"Isoca" insect attacks linseed.

A new insect called the "lagarta," so called from its resemblance to a lizard, made its appearance in the province of Entre Rios in 1891, which made itself known by devouring large quantities of wheat. When in the state of larva, it is said to be like the North American "army worm."

"Lagarta" insect attacks wheat.

Resembles "army worm."

Climatic accidents detrimental to crops are hail, frosts, droughts and too much rain, of which the two first can be insured against. I am told, however, that the insurance of crops has not made the progress expected in this country, and that several insurance companies have not been successful in this direction.

Climatic accidents.

Droughts, frosts, hail, and too much rain.

Insurance against.

As regards diseases, the chief ones affecting wheat are, 1st, "el carbon" (filletia or caries), and 2nd, "el polvillo." The first was unknown till 1881, when it appeared in the south of the province of Buenos Ayres, near Azul, where wheat brought from Bordeaux had been sown. This disease has now spread and even reached Rosario and further north. The "polvillo" is not often found; it is a disease which turns the whole plant yellow, and generally after heavy mists.

Chief diseases for wheat—1, "el carbon," 2, "el polvillo."

The class of wheat grown varies in the different provinces, but "barletta" (like the American "red winter") is most used,

Classes of wheat grown.

Barletta equals "Red Winter" of United States.

Become a special Argentine wheat; contains much "gluten."

especially in the provinces of Santa Fé, Entre Rios, and Cordova. It is said to have been introduced in 1857 from Lombardy. In the course of years it has become a special kind of Argentine wheat which millers seem to consider superior to the North American on account of the quantity of gluten which it contains. "Barletta" is a dark red grain, and produces the best flour with the most gluten; this grain gives 65 per cent. to 70 per cent. of flour, and is believed to be only surpassed in that quality by some wheats from the Banat in Hungary, and from Manitoba. Argentine wheat differs largely in weight because of deficient cultivation and bad selection of seed, as was shown by the 57 samples of wheat from all Argentine provinces sent to the Milling and Baking Exhibition in England in 1892. At that exhibition a gold medal was awarded to No. 4 Argentine wheat from the Alvear colony in Entre Rios. Nine other classes of wheat obtained special honourable mentions.

Specimens of Argentine wheat at Milling and Baking Exhibition, 1892.

Gold medal for wheat.

"Saldomé" wheat.

In the last few years another wheat, called "saldomé," is being largely cultivated. It appears to be a cross between "barletta" and French wheat. For exportation, however, "barletta" is preferred.

Prices of wheat in Europe.

From 1874 to 1886 the average price of wheat fell from 24*s.* 2*d.* to 25*s.* (29 fr. to 30 fr.) per 100 kilos. (220 lbs.) to only 16*s.* 8*d.* to 17*s.* 6*d.* (20 fr. to 21 fr.) in 1886. Any lower prices than those were due to speculation. From 1888 the price of wheat rose, and in 1891 was 20*s.* to 21*s.* 3*d.* (24 fr. to 25½ fr.) In March, 1891, wheat in Europe was quoted at 20*s.* 10*d.* to 21*s.* 8*d.* (25 fr. to 26 fr.), which high price gave an impetus to wheat-growing in the River Plate.

Wheat at 21*s.* 8*d.* in Europe in March, 1891.

Cost of production of wheat.

The cost of production for wheat depends very much on whether the work is done with hired labour or by the colonist and his family. Even hired labour is particularly cheap to-day to the wheat-grower on account of the high gold premium of 200 per cent. or more, of which he reaps the benefit in selling his wheat at a price based on its gold value in European markets.

Average cost per hectare (2½ acres).

Expenses of harvesting.

The average cost per hectare (2½ acres) of producing wheat in 1891, including seed—and up to the period of heaping up the grain ready for threshing—was, according to some authorities, about 15 dol. to 18 dol. (15*s.* to 18*s.*). The expenses of reaping, collecting, threshing and packing the grain in sacks (including cost of bags) was perhaps another 10 dol. to 15 dol. (10*s.* to 15*s.*) on the basis of an average yield of 1,000 kilos. (1 ton) of barletta wheat per hectare (2½ acres). A yield of 1 ton, therefore, necessitates an outlay of about 40 dol. to 43 dol. per hectare (2½ acres), which in the year 1891 represented 2*l.* to 2*l.* 3*s.*, and would now be about 2*l.* 12*s.* to 2*l.* 14*s.* 8*d.* in gold at the rate of the day. During the 1891–92 wheat season the price per 100 kilos. (220 lbs.) varied from 8 dol. 50 c. m/l to 9 dol. 50 c. m/l (8*s.* 6*d.* to 9*s.* 6*d.*) in local markets, the average crop per hectare (2½ acres), therefore, fetching 85 dol. to 95 dol., or 4*l.* 5*s.* to 4*l.* 15*s.* a ton. Deducting from this sum the cost of transport from wheat-field to nearest station, railway freight, brokerage and commissions, amounting usually to 20 dol. a ton (the yield of 1 hectare), the nett profit to the agri-

Profits of wheat-growing.

Nett profit per hectare.

culturist was about 20 dol. to 25 dol. per hectare (2½ acres) which in 1891 equalled 1*l.* to 1*l.* 5*s.*, and now 1*l.* 6*s.* 8*d.* to 1*l.* 15*s.* 4*d.*, with gold at 200 per cent. premium instead of 300.

Cost of wheat-growing in 1893.

The cost of wheat-growing in 1893 by a practical farmer in the province of Santa Fé is now given approximately per "square" = 4 acres:—

First year.

First Year.	Dol.	c.
Breaking up ground, per four acres	3	50
Cross-ploughing	3	0
Harrowing	0	50
Sowing	0	25
Covering and rolling	1	0
Total	8	25
Equivalent in sterling	£0 11*s.* 0*d.*	

Second year

Second Year.	Dol.	c.
The same, less breaking up ground, then harvesting, cutting, and binding	5	0
String	12	0
Threshing	17	25
Carting to stack and to station		
Total	34	25
Equivalent in sterling	£2 5*s.* 8*d.*	

Total expense under 3*l.* per four acres.

These two added up give a total equivalent in sterling of 2*l.* 16*s.* 8*d.* per 4 acres, not counting cost of seed. The average crop would be 11½ "quintals" = 529 kilos., or 1,160 lbs.

Average crop 1,100 lbs.

Alfalfa (Lucerne) cultivation of.

The cultivation of alfalfa (Lucerne) covers an enormous area, and is every year becoming more important. In the opinion of many persons it will probably, as an export, be second only to wheat and maize in importance. It has already been exported to England as an experiment, and been pronounced a most satisfactory forage.

Experimental exportation to England.

Alfalfa—European Lucerne.

Its nature.

Its success depends on substratum of soil.

Four to five crops a year.

Grown for forage for fattening animals.

Alfalfa is better known in Europe as Lucerne, and is a kind of clover. It is particularly suited to a great part of this Republic, owing to its not requiring much surface damp or rain. It is a plant that throws down its roots very deep, even as far as 5 yards, and is therefore more dependent on moisture deep down than on the weather for its nourishment. Even after long drought it remains green. Alfalfa enriches the ground. Its success depends largely on the substratum of soil; if that is satisfactory, alfalfa has been known to yield good crops for 20 years. One can get four or five crops regularly a year, and sometimes more. If wheat lands, after six to ten years only yield poor crops, and deep ploughing or rotation of crops is not made use of, alfalfa can be sown in between the last crop, and the following year will yield a little, and the next year good crops.

This alfalfa is grown for forage purposes, and largely used for feeding animals and fattening them up for market—a business that is rapidly taking a remarkable development. Like wheat and

Largely exported to Brazil.

maize it is a large article of consumption. Considerable quantities are exported to Brazil for feeding cattle there. The province of Cordova is often called the alfalfa region; the lands round Rio Cuarto are particularly suited to its growth, but it flourishes almost everywhere. One reason of its rapid increase of cultivation in late years is undoubtedly the facilities afforded by the railways for its transport to ports for exportation. In 1892, 39,200 tons were exported, which is probably but a small beginning of a large branch of trade.

Rapid increase of.

39,200 tons exported in 1892.

Alfalfa a large future export.

Alfalfa grown as a forage has a great future, and, if properly managed, may become a most important and valuable export of the Argentine Republic. At present it is mostly consumed in the country, either fresh as pasture for cattle or in a dried form as hay. But a few years hence there might well be a large export trade of it as forage to Europe. Hay, best quality, in Liverpool costs 4*l.* to 5*l.*; here alfalfa is worth from 15 dol. m/l to 45 dol. m/l (1*l.* to 3*l.* with gold at 200 per cent. premium). The average is 30 dol., or 2*l.*, which shows the possible profits, without allowing for the value of the pasturage for seven months of the year.

Comparison of cost of hay in England and alfalfa here.

Rent paid for alfalfa pasture for animals.

Number of animals per "square" (4 acres).

In the province of Santa Fé alfalfa is largely depastured, and from 80 c. to 1 dol. m/l (1*s.* to 1*s.* 4*d.*) per head of cattle per month is paid for it in summer, and 2 dol. m/l (2*s.* 8*d.*) in winter. One "square" (4 acres) of good alfalfa is considered to carry two animals in winter and four in summer, but these numbers may be largely increased after heavy rain. As many as 14 animals per square (4 acres) have occasionally been found necessary to keep down the growth of alfalfa during a summer month. Irrigated alfalfa, such as is grown in the province of Mendoza, is said to give 8 cwts. per annum.

Estimate of cost of laying down alfalfa 1*l.* 18*s.* 4*d.* per four acres.

An estimate, from a practical grower of alfalfa, of the cost of laying down alfalfa per "square" (4 acres) is now given:—

Number.	Description.	Value.
		Dol. c.
1	Breaking up soil	5 0
2	Cross ploughing	4 50
3	Harrowing	0 50
4	Sowing	0 25
5	Covering in the seed	0 50
6	Rolling	0 75
7	25 kilos of seed at 70c. m/l	17 25
	Total	28 75

With gold at 200 per cent. premium .. £1 18*s.* 4*d.*

Much cheaper if sown between wheat.

But if alfalfa is laid down with wheat, it can be put in much more cheaply, being sown with the colonists' last crop of wheat at a cost of only items 4, 5, 6, and 7 in the above estimate, or of 18 dol. 75 c. only (1*l.* 5*s.*).

The cost of cutting and baling alfalfa hay and placing it in wagons at a railway station 7 miles distant may under ordinary conditions be estimated at 13 dol. m/l (17*s.* 4*d.*) per ton.

The expenses would stand thus (for 37 "squares" = 148 acres of alfalfa):— Expenses of harvesting, &c., alfalfa, 15 dols. 25 c. (1*l.* 0*s.* 8*d.*) per ton.

	Per ton. Dol.	c.
Labour baling	7	0
Ditto cutting and carting 7 miles..	6	0
Interest and depreciation, 20 per cent. on necessary machinery, &c., of a value of 7,000 dol., divided by 55 tons or 3 cwts. of 5 tons each..	2	25
Total	15	25
With gold at 200 per cent. premium	£1 0*s.* 8*d.*	

Profits considerable, about 1*l.* 5*s.* per ton.

After laying down the alfalfa the profits would, therefore, be the difference between 15 dol. 25 c. (1*l.* 0*s.* 8*d.*) and the market price of alfalfa, which perhaps averages 2*l.* 5*s*; and, further, the profits of letting out pasture to animals. No item is here mentioned for rent or management. The value of land suited to alfalfa varies from 15 dol. (1*l.*) to 100 dol. (6*l.* 14*s.*) per "square" of 4 acres; the average would be 45 dol. (3*l.*), and the rent may be estimated at 10 per cent. of the value of the land.

Suitable land 15*s.* per acre.

Profits vary largely.

The profits vary largely according to the price of alfalfa, which has been sold for 50 dol. a ton (3*l.* 6*s.*), but the average is 2*l.* upwards.

Area of alfalfa.

The area of alfalfa in 1891 has been given as 1,495,000, and is now probably 3,000,000 acres.

Maize, cultivation of.

There are two chief kinds of maize (white and yellow) grown here. It is an easy crop, and little labour is required for its cultivation. The crops are not often lost except by drought and locusts, which latter, especially in late years, have been most destructive to the maize fields during January, February, and March. Maize is largely consumed all over the Republic. Large general losses to the crop are principally from drought, but partial local losses are usually from locusts. The chief use of maize is perhaps for distilling purposes; horses are largely fed on it, and a fair amount is exported, especially in good years. Consumption of maize about 1,500,000 tons. Nearly all animals are partly fed on it. A large quantity is used for distilling alcohol, of which local factories consumed some 80,000 tons in 1891 for this purpose. The estimated consumption of maize in the Republic is about 1,500,000 tons, of which 800,000 tons to 900,000 tons were consumed in the city and province of Buenos Ayres.

Losses due to drought and locusts.

Consumption of maize about 1,500,000 tons.

Maize largely used for distilling.

The provinces bordering on the Paraná River and on the estuary of the River Plate, namely, Santa Fé, Buenos Ayres, and Entre Rios, contribute most to export. As a rule, maize is not exported from places further than 200 kiloms. (120 miles) from a port.

Exported maize.

This year the crop failed in the above places from locusts and drought, but is still considerable on the Western Railway (*see* page on railways), and to some extent in the Southern Railway districts.

Failure of 1893 crop.

The prices of lands were exceedingly low in gold in 1891 and 1892; now they are dearer, but are still fairly cheap. The fall in the value of land after the crisis of 1890 was extraordinary. The

Prices of land extra low in 1891 and 1892.

Argentine Republic will probably never again obtain European capital as easily as in the last ten years; lenders, taught by experience, will be more careful, and a financial crisis as disastrous as the last is not likely to occur again. It is said that the average value of ploughed land, including animals, machines, utensils, and rough buildings, is only 18*l.* per hectare (2½ acres) on good wheat-growing lands, well supplied with modern appliances. In France the value of the land alone per hectare (2½ acres) seems to be about 80*l.* The colonist has no difficulty in obtaining land to suit his pocket. Good land for wheat can be had from 1,200 dol. to 2,000 dol. paper (75*l.* to 125*l.*) per concession of 20 "squares" (about 80 acres) in the province of Santa Fé. This can be paid for in four to six years in instalments, the money still due on the purchase bearing 12 per cent. interest, or rented by paying rent with a fixed percentage of the crops or with a fixed money rental; but it is difficult to protect buyers on this instalment system, as they have only a claim on the seller, and no lien on the land.

Average value of land, &c., perhaps 18*l.* per hectare.

Value of land in France.

Land selling at 75*l.* to 125*l.* per 80 acres.

Paid for by instalments.

Difficult to protect buyers of land.

Most immigrants are poor, and the conditions of land purchase are adapted to their requirements. Nearly all are desirous of becoming owners of the land, especially the northern races. Few seem to care to farm on halves, though often advantageous. This is the usual system followed. The land is sold to the immigrant for a fixed price, payable in instalments during a certain number of years, usually a certain sum cash, and the rest on easy terms with interest at 5 per cent. When the whole price is paid, the title deeds are handed to the purchaser. It is here that buyers of land have often been cheated, the owner of the land being unable to hand over those titles, on the completion of the purchase, because of some mortgage previously effected on it, which had never been mentioned to the buyer. And this is only discovered by the immigrant after years of hard labour, and when the property is really his own, the mortgagees naturally refusing to hand over the land until the former owner's mortgage is discharged. Every buyer of land in this Republic should, therefore, be particularly careful to verify the seller's title to the land he contemplates buying, and, if possible, buy the land outright. Immigrants should only trust well-known companies and persons of undoubted honesty.

Colonisation system.

Manner of selling land to colonists.

Necessity of verifying sellers' titles to land.

Danger to immigrants.

Another requisite for poor immigrants on taking up land is loans or advances of provisions, tools, oxen, and shelter until such time as they can repay by the produce of the crops. These are often entrusted to the immigrant. With an honest landlord and an honest immigrant, it is most advantageous to both parties; and the latter pays off such loans gradually by the sale of the crops. This system enables him to exist till the first harvest. The easy terms of payment for his land, at long intervals (often 3 to 7 years), also give him, if he is unlucky enough to have several bad seasons, time to collect the money. If they are good seasons, he soon pays off the balance and becomes owner of the land, and it is to his interest to become so as soon as possible. In granting easy terms

Advances of tools, provisions, etc., to colonists.

Enables immigrant to live till first harvest.

Price of land soon paid off with good seasons.

of repayment, the landlord does not risk much, for, should the settler not pay, he has always the improved value of the land, the crops, huts, &c., as a repayment for his outlay. To an immigrant buying land, merchants will supply machines and implements to be paid for in yearly or half-yearly instalments. The local grocery and general "store" ("almacen") will furnish supplies and provisions on credit. The hut which he requires is easily built, at a very small cost. Four to six oxen, a cow, and two horses must be paid for cash, but would only cost 350 to 400 dol. (24*l.* to 29*l.* to-day). And these can be got at any moment. In the province of Santa Fé alone 200,000 to 250,000 hectares (500,000 to 625,000 acres) have been estimated to be offered for sale yearly, and similar amounts elsewhere. In 1891 it has been stated that over one million hectares (2½ million acres) were offered for sale.

Landlords' risk not great.

Supply of machinery by merchants.

Actual food.

Cost of requisite oxen, cow, horses.

Over 500,000 acres of land to sell annually in the province of Santa Fé.

Deficient crops of cereals are sometimes due, not to bad seasons and short crops, but to absolute want of means for storing them. For instance, there are often no granaries and sometimes not even tarpaulins or coverings to shelter the piled-up grain, while awaiting threshing or transport. Good machinery and tools are often wanting. Another cause is not having sufficient animals to complete the agricultural field work. Persons engaged purely in agriculture keep as few animals as possible; those who combine cattle-farming and agriculture do not experience this difficulty, and have a distinct advantage in this respect in harvest time. Too great an area of cereals again is sometimes sown by beginners, who do not realise that it will be impossible to obtain the necessary labour to harvest the crop; part of it is lost, and the ground impoverished to no purpose. This mistake is avoided by old hands, who take more care, and occasionally let the land lie fallow or vary the crops. Such mistakes, though not felt in good years, naturally tell in bad ones.

Variations of crops: causes of.

Few granaries; no shelter for grain.

Want of good tools.

Too great an area sown by beginners.

Drought and locusts are frequent causes of losses. Locusts are especially harmful to maize.

Drought and locusts.

The greater part of labour for agriculture is foreign, and supplied by immigration. Few real natives take to it; and the so-called Argentines who do will be found to be almost entirely the descendants of former immigrants. The native keeps almost entirely to the old established stock-raising and its requirements, and leaves agriculture to foreigners. From 1858 to 1893 some 1,331,000 immigrants have landed in this conntry (*see* my Report on Immigration, No. 216, Miscellaneous Series). In late years a large proportion of these have been agriculturists. The immigration returns of the years 1876–90 give 583,000 as agriculturists out of a total of 959,000 immigrants. Probably 800,000 to 900,000 out of all the agriculturists in the Republic are foreigners, or their direct descendants. The excess of emigration over immigration in 1891 was serious to the development of agriculture; and 1892 has hardly been much more satisfactory. At the end of 1892 and beginning of 1893 there was a considerable increase of immigration, due chiefly to Italians arriving here

Agricultural labour almost all foreign.

Native labour.

Proportion of agriculturists among immigrants.

800,000 foreign agriculturists here.

1891 excess of emigration over immigration.

1893 immigration.

temporarily only for the wheat season, returning now (April, 1893) to Italy for the wheat season there.

Aversion amongst Argentines to rural labour.

Among the native town population there is a great aversion to country life and pursuits; few take up agriculture. Of the 73,000 immigrants in 1891, perhaps 70 per cent. were agriculturists, attracted by the low value of lands and the high prices fetched by wheat in Europe, who were chiefly Italians and knew the profits to be made from friends or relations long established in this country. Life in the Argentine Republic, in the rural districts, suits the Latin races, the Italian particularly, but not the Englishman. The latter should be discouraged from emigrating to this country for agricultural purposes unless with a small capital, and then only under exceptional circumstances. Experience has shown he does not adapt himself to this country's requirements as a labourer, and has an unenviable reputation as a lazy, drunken, and most unsatisfactory workman in every kind of lower class employment. (*See* Report No. 1147, on General Condition of Argentine Republic in 1892.) Englishmen of the middle classes do better.

Italian agriculturists.

British labour most unsatisfactory here.

His bad reputation.

More labour essential to development of agriculture.

That labour is in great demand for agriculture is shown by the estimated increase of cultivation from 1891 to 1892 wheat seasons of half a million hectares (1,225,000 acres) in the four chief agricultural provinces. And there is no doubt that, were labour in some agricultural districts more plentiful, agriculture would develop still more rapidly. Almost any foreigner, except the Englishman, is what this country requires in its labour supply. The Italian does and should always supply the bulk of labour in the Argentine Republic. New foreign immigrants, as a rule, cannot compete with Italian arrivals; this is due to their being unable to adapt themselves as quickly to the ways of the country as the latter can. They are also not nearly as economical, and do not earn as much money at first. But as most foreign immigrants —especially German and Swiss—are superior to the Italians in practical knowledge and education, in the course of time they are able to do better and to lead a more comfortable existence than the Italian generally does. Nevertheless every foreigner cannot do better than take the Italian labourer for his model when beginning his life out here; and might, with advantage, copy the Italian's system of sometimes working on halves.

British labourers should not come here.

Comparison of Italian and other colonists.

Swiss and German and Italians compared.

Working on halves.

Poor immigrant at a disadvantage for want of good tools.

It is harder for a perfectly destitute arrival to get on alone, as he has often, from want of means, to work in the most primitive fashion and without many necessary tools; whereas by joining another man, already starting, who requires more labour, he might obtain the use of his better tools, &c., and both might mutually benefit.

Dr. F. Wagner's opinions on German colonisation.

Dr. Friedrich Wagner, formerly Director of Statistics of the province of Santa Fé, favours the starting of a German Colonisation Company, which should buy agricultural lands at their present comparatively low prices. But he says such a scheme should be managed only by persons who have had practical experience of the Argentine Railway and who have studied the

Argentine Republic only to be recom-

conditions of this country on the spot. He prophesies that the Argentine Republic will in time be one of the greatest agricultural producing countries of the world; and adds that it is only for agriculturists and a few artisans to whom he can at present recommend this country. "Germans are not the most numerous in the colonies but often the most enterprising, they are all doing well, and many are capitalists, as in their colonies of Esperanza, Humbold, San Carlos.*

mended for agriculturists and few others.

Although the results of the harvest of 1891–92 were very satisfactory as to quantity and quality, it is only farmers who can look back upon it with some satisfaction. To exporters and dealers that season was one of disappointment. The price of grain, which at the commencement of the season was very high, 12 dol. 35 c. m/l (13*s.* at gold rate of month) in January, fell to 8 dol. 20 c. m/l (11*s.*) in June, and to lower still later, owing to the unusually large supplies in Europe from the United States. But speculations here in freights were most disastrous to the merchant. Freights varied from about an average of 28*s.* at the beginning of the season to 21*s.* at the end. But even 35*s.* was paid.

Wheat season of 1891–92.

Prices of wheat.

Speculations in freights disastrous to merchants.

The estimated total produce for the province of Santa Fé was 625,000 tons against 526,000 tons in 1890–91. Of this the port of Rosario exported in 1892 252,000 tons as compared with 144,000 tons in 1891. Some 50,000 tons were shipped from other ports of the province, and perhaps 13,000 tons converted to flour exported, making in all an exportation of over 300,000 tons from that province alone.

1891 and 1892 wheat yield and export.

There were 55 flour mills in that province, whose total capacity is said to be about 650,000 kilos. (650 tons) of flour a day; in other words, the present-existing mills could consume 263,000 tons of wheat a year, and turn out about 200,000 tons of flour in 300 working days in the year. 200,000 tons are believed to have been converted to flour in 1892. The amount of wheat used for seed in 1892 has been estimated at 50,000 tons, as against 37,000 tons in 1891. The result can be tabulated thus, according to some authorities:—

Flour-producing capacity of 55 mills in Santa Fé.

Flour product 200,000 tons in 1892.

TABLE of Wheat Crop in the Province of Santa Fé during the Years 1891–92.

Analysis of 1891–92 wheat crop, province of Santa Fé.

	Quantity. Tons.
Exported	340,000
Used for seed 1892 = 50,000 .. .. Less used in 1891 = 37,000	13,000
Converted to flour	200,000
Transported by rail or water, local consumption ..	60,000
Stock still in province	12,000
Estimated total yield	625,000

In 1891 the Provincial Government of Santa Fé placed a tax of 10 c. paper on every 100 kilos. of wheat and linseed, to which

Government tax on grain in 1891 still in force.

* For details of the system of Jewish colonisation by Baron Hirsch *see* Report No. 1147, Annual Series.

there was a strenuous and organised opposition on the part of the colonists. It was made especially obnoxious from the fact of the tax being eventually farmed out (*see* my Report No. 1147, Annual Series 1892). The law imposing this tax is worded thus:—

Wording of law on tax on cereals.

"Article 1.—Any transaction in wheat and linseed effected in the province shall pay only once a tax of 10 c. (1¾*d.* to-day) for every 100 kilos. (220 lbs.) of wheat, and the same for every 100 kilos. of linseed."

"Article 2.—Any concealment or inexact declaration made with the object of evading payment, will be punished by a fine equal to double the value of the tax."

Tax farmed out.

In 1891 it was estimated that this tax would produce 1,500,000 dol. (94,000*l.*); but the right to collect was eventually sold for 300,000 dol. (19,000*l.*). The wording of the law is vague, and questions continually arise in its collection. Up to 10 per cent. of a farmer's produce is exempt from the tax, that percentage being allowed free for seed.

There is a similar tax on wheat in the province of Entre Rios.

Grain now often sold subject to "inspection."

The United States system of selling grain, subject to "inspection," for recognised "grades" of quality, has gradually come into use. A considerable portion of the crop is now sold on these conditions, not only by dealers to shippers locally, but also by shippers to their European customers. This is a most desirable course in a country where there are no local markets for the guidance of farmers. It is, moreover, an excellent check on bad shipments, and has had considerable effect in raising the reputation of Argentine wheat in Europe.

Check on bad shipments.

Improved machinery, storage, &c., have improved wheat for export.

Good seasons are, of course, the most important; but the improved appliances for harvesting, storing, and shipping wheat have all helped considerably. The wheat crops of 1891 and 1892 sold in Europe about on a par with the American "Red Winter," in consequence mainly of the dry weather experienced during the season. In former years it was sold at a much lower price. The quality of Argentine wheat has improved so much in the three last seasons that it now holds a high place in European markets.

Grain elevators have improved grain shipped.

Farmers have now far better machinery, tools, &c., than formerly. The grain elevators at Rosario, erected by the English Railway Companies, have been worked with excellent results for the better preparation of wheat for shipment.

The Year 1893.

Agriculture in 1893 according to Governors' messages to Congress.

With regard to the extent of agriculture in 1893, it will be interesting to see first what official data, as given in the messages of the Governors of the different provinces to their respective Congresses on opening their Sessions this year, state on this subject.

Province of

There are 310 colonies in the province of Santa Fé, of which

only 185 sent in returns. The increase in cultivated area has been 770,000 acres, from 2,120,000 acres in 1892 to 2,890,000 acres in 1893. The increase in crops has been as follows :— Santa Fé in 1893.

RETURN of Crops, 1892 and 1893, in Tons in 185 Colonies only, excluding 125. Crops, 1892–93, compared.

Article.	1892.	1893.	Increase.
	Tons.	Tons.	Tons.
Wheat	495,900	534,100	+ 38,200
Maize	46,500	59,700	13,200
Linseed	36,200	48,300	12,100
Total	578,600	642,100	63,500
Wheat, other, in 125 other colonies.	..	160,000	198,000

Here the returns for 125 colonies do not figure. The increase of tillage in 1892 was equal to the aggregate increase of the three preceding years. Nine new colonies have been created this year.

The immigration to this province through Government agents has increased from 6,500 in 1891 to 9,800 in 1892, which, however, is only a small proportion of the new arrivals.

In this province there are 59 colonies; and the estimated production, after deducting 15 per cent. for loss from locusts and other causes, is :— Province of Cordova in 1892.

Description.	Quantity.	
	Quintals.	Tons.
Wheat	3,000,000	= 300,000
Maize	200,000	20,000
Linseed	110,000	11,000

This year, 1893, 222,580 hectares (556,450 acres) are cultivated in the colonies, which equals 64,300 hectares (160,750 acres) more than in 1892. The crops of 1892 were double those of 1891; the number of agricultural machines has greatly increased.

The total inhabitants in 1893 was 815,790. Area cultivated is 1,618,500 hectares (4,036,250 acres), an increase of 333,400 hectares over last year, or 20 per cent. Wheat covers 800,000 hectares (2,000,000 acres), which produced 13,000,000 hectolitres of wheat. Province of Buenos Ayres in 1893.

During 1892, 22 new colonies were founded, which increased their number to 163, occupying 752,400 hectares (1,881,000 acres) Province of Entre Ríos in 1893.

of land, an increase of 79,000 (197,500 acres) over 1891. The exportation of agricultural products in 1892 was 45,000 tons; this year there will probably be exported 105,000 tons in spite of losses by locusts and frosts.

Criticisms on above messages exaggerated.

One must consider that the above statements of the four chief agricultural provinces, except for Santa Fé, are somewhat exaggerated; but to arrive at the true state of agriculture is impossible.

Wheat shipped from Rosario in 1893.

The port of Rosario alone exported 253,000 tons in 1892, and in only the first three months of 1893, 226,255 tons. The Santa Fé wheat crop of 1893 is the largest on record. About 500,000 tons have already been shipped up to the end of May, and it is stated that there is still some 250,000 tons on hand. This is independent of the large amount converted to flour. Some part of the 1891–92 crop was left over in store when the new crop came on; and the same will probably happen this year, as the colonists are rich, and can afford and intend to wait for better prices. But a large quantity of produce also finds its way by rail to Buenos Ayres which it is difficult to estimate correctly.

Wheat in 1893.

Wheat in 1893.

System of commerce in "cereals."

The large export houses of Buenos Ayres have their agents in the province, who again have their agents and buyers who travel about to buy crops. The colonists have no difficulty, therefore, in disposing of their crops on the spot if the price offered suits them. At Rosario, the chief port of that province, there are 4 large grain elevators which can load ships at the rate of some 50,000 bags a day. They are built on the American plan and work well.

Great facilities of the province of Santa Fé for shipping wheat.

The facilities of communication are great from the interior to the port of Rosario and other minor ports, of which there are others in the province of Santa Fé. These are afforded by 2,827 kiloms. of railways, and by the River Paraná along the whole eastern frontier of this province. Another 1,000 kiloms. are now under construction.

Transition in the trade.

The wheat trade is now undergoing a transition from the earlier stages when merchants sent out their buyers to contract for wheat, and advanced funds to the colonists to deliver their grain at the railway station. Now middlemen or dealers, in many cases, contract with shippers for parcels of grain at port of shipments.

Handling of wheat.

The handling of grain in the Argentine Republic is not, by a long way, as perfect as in the United States. Although great improvements are being made it may happen that, at any time during the shipping season, a continued spell of wet weather will injure large quantities of grain, because of want of sufficient storage room in the country districts. Another cause, on some railways, is want of rolling stock to transport all the grain. Bags of grain may often be seen piled up on the open ground and insufficiently protected from the weather.

Want of storage room. Want of railway wagons to transport grain.

Estimate of Export of Wheat in 1893.

Estimate of export of wheat in 1893.

To arrive at a correct estimate of this year's surplus of wheat for export is difficult. According to Argentine official returns,

there is a large increase, nearly 30 per cent., in the export of 1893 over 1892, as regards the first quarter of the year. These statistics give the total export of wheat in 1891 at 395,000 tons, and in 1892 at 470,000 tons.

Various estimates.

Some estimates give the probable export for the present year at 820,000 tons, which, at an average price of 17 dol. 50 c. m/l (10*s.*) per 100 kilos. (220 lbs.), gives a value of about 4,000,000*l.* with gold at 200 per cent. premium.

The returns of wheat shipped from the port of Rosario alone during the year 1893 up to the end of May show an export of 355,000 tons.

After carefully considering all the sources of information at my disposal, it seems to me that the probable amount of wheat exportable in 1893 will not be far short of 1,040,000 tons, or double that of last season.

Probable crop of 1893, 1,750,000 tons; and export 1,040,000.

The shipments of wheat, according to the chief provinces, is shown in the following statement of the *estimated* wheat crop of 1893, put at low figures especially for amount left over for export in the country :—

	Tons.
Exported from provinces of Santa Fé and Cordova ..	500,000
Exported from province of Buenos Ayres	200,000
Exported from province of Entre Rios	80,000
Up to May 31. Total actually exported	780,000
One-third still to export..	260,000
Total available for export	1,040,000
Local consumption, export of flour, losses, and other provinces	710,000
1893. Probable yield of total crop	1,750,000

Some of the crop may be retained as prices low.

Of course some of the 1891–92 crops remained over, and some of this crop will certainly be held over to next year if the prices of wheat in Europe do not improve, as the colonists are rich and can afford to wait. The average yield of this extraordinarily plentiful crop may be put at 800 kilos. per hectare (2½ acres), so that a total crop of 1,750,000 tons implies an area of wheat of about 2,200,000 hectares or 5,500,000 acres, which seems to be about correct. This means an increase in area over 1891 of 83 per cent., which also tallies with some estimates obtained. In many parts the average yield of grain per hectare for wheat has been 1,200 kilos. or more, and in some 1,500 kilos. For details as to value of export of agricultural produce in past years, *see* Report No. 1147, Annual Series.

Wheat areas about 5,500,000 acres.

Maize in 1889 to 1893.

The export surplus of maize in 1889 was about 960,000 tons, of which part was shipped in 1890, but the quality was very bad owing to continued wet weather and want of drying winds. The crop was so large that it could not be handled, some was not gathered from the fields for six months or more. Prices were low, labour dear, and roads impassable.

The actual surplus export of 1890 has been put at 350,000 tons over and above the surplus left over from 1889.

The 1892 crop was of good quality, and 580,000 tons were exported.

The crop of 1893 has been largely destroyed in the principal districts by locusts, and will probably not amount to a half of the 1892 crop. It is doubtful if any will remain over for export to Europe when the requirements of Brazil have been satisfied. This export may perhaps reach 150,000 tons.

Railway traffic in agricultural produce in 1892 and 1893.

A statement of the traffic in agricultural produce during the past year, 1892, and during the first quarter of 1893 will not be wanting in interest at the present time. By the courtesy of the managers of the railway companies in this Republic it has been possible for me to put together the following table :—

Return of traffic in cereals on railways in 1892 and 1893.

RETURN of Traffic of Cereals and Alfalfa Hay on chief Railways of Republic in 1892–93.

Name of Railway.	1892.			March Quarter of 1893.		
	Wheat.	Maize.	Alfalfa Hay.	Wheat.	Maize.	Alfalfa Hay.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Buenos Ayres, Western	180,879	232,169	74,664	119,861	25,873	18,410
,, and Rosario ...	91,365	40,438	16,186	89,041	1,648	3,723
,, and Pacific	22,968	21,460	16,037	24,906	1,974	3,455
Great Southern	126,644	60,746	14,619	63,389	4,421	2,986
Central Argentine	190,437	145,216	38,101	134,714	6,183	7,197
Central of Cordova	9,134	? 5,000	? 5,000	13,475	367	3,612
South Santa Fé and Cordova ...	19,115	? 900	546	18,964	? 200	56
Western of Santa Fé...	100,000	?	?	80,000	?	?
Other Railways	..	Returns	not	received.		
Totals	740,542	505,929	165,153	544,350	40,666	39,439

Analysis.

Here it will be noticed that the wheat carried in the first quarter of 1893 only, amounted to a good deal over two-thirds of all that carried in the whole year 1892, being 544,000 tons as against 740,000 tons last year. This helps to show the extraordinarily plentiful wheat crop this year. Maize, on the other hand, shows a comparatively small traffic compared with last year, as the crop has to a large extent been lost by drought and locusts.

Taking the traffic returns of the Central Argentine Railway we find that out of a total traffic in wheat of 190,000 tons in 1892, 70 per cent. went to ports on the Paraná and were, therefore, probably exported to Europe. During the March quarter of 1893, 95 per cent. of the 134,000 tons carried went to ports for export.

In the above table there are a number of minor railways not included. On some there is no traffic in cereals, on others it is insignificant. There are also, however, several lines which have a certain amount of cereals to transport, but which could not be included above from the returns not being procurable, divided up as wheat, maize, and alfalfa. Much valuable information, however,

has been furnished me by many of the railway managers, some of which, however, do not concern this present report.

A few notes now follow on agriculture according to the chief railways.

Great Southern Railway.

This railway runs, with branches, north and south in the province of Buenos Ayres, terminating in the north at the port of Buenos Ayres and in the south at the port of Bahia Blanca. A large amount of wheat is grown in its neighbourhood, not so much in large areas as in small scattered portions. The chief destinations of its traffic in agricultural produce, especially wheat and hay, are the ports of Buenos Ayres and Bahia Blanca, and largely for export.

Great Western of Buenos Ayres.

This Great Western Railway of Buenos Ayres, generally speaking, serves the western portion of the province of Buenos Ayres. It is believed that this railway and the Great Southern will effect an amalgamation shortly, which will give them a practical monopoly of the province of Buenos Ayres. Last season an immense business was done in maize for export, this season wheat is much more important. Since 1890, when this railway was taken over from the Argentine Government, much land has been put under cultivation. The traffic in grain for the last half year of 1892 was double that for the same period of 1891. Agriculture is rapidly extending on all sides.

Buenos Ayres and Rosario Railway.

The Buenos Ayres and Rosario Railway shows for the first quarter of 1893 an almost equal traffic in wheat to the whole of that of last year. The greater portion of the wheat is sent to Rosario for export. Maize, when plentiful, is shipped from the various ports on the River Paraná. This year for maize shows a remarkably small traffic. Special low rates are granted for wheat and maize between forwarding stations and ports of embarkation, averaging 3 dol. 60 c. m/l (5*s.*) per ton per 100 kiloms. (60 miles).

Central Argentine Railway.

The Central Argentine Railway forms the northern boundary of the present centre of the wheat district and serves a most important wheat district, not only in the province of Santa Fé but in the eastern portion of the province of Cordova. Here also wheat traffic, for the first three months of this year, is almost three-quarters of that during the whole of the past year. Its return for the past quarter is 134,000 tons, the largest of any line.

South Santa Fé and Cordova Railway.

The South Santa Fé and Cordova Railway was opened in 1891, and lands are being rapidly colonised. The advantages offered to colonists by owners of land, and the facilities of shipping grain at the port of Constitucion has induced many colonists from older-established colonies to move to those being formed along this line.

Western Railway of Santa Fé.

The Western Railway of Santa Fé was opened 3 years ago, and traverses a region which 9 years ago had no agriculture. It lies in the present centre of the wheat district and terminates at Rosario, where it has a good shipping port with 19 feet of water for large steamers, and whence 30,000 tons can be shipped daily. Up to May 1, 80,000 tons had been exported from the 40 colonies along this line, which are estimated to have produced 200,000 tons

altogether this year, 1893. The annual increase of cultivated land is 30 per cent. in this district. On the above date about 53,000 tons more of wheat were deposited at stations, and some 66,000 tons still in the hands of the colonists.

Remarks. It will be noticed that the above notes are confined to the provinces of Buenos Ayres, Santa Fé, and Cordova, which are the most important agricultural districts. Returns of railway traffic in cereals for the province of Entre Rios have, unfortunately, not reached me in time to include them. But these notes, though incomplete, will bear testimony to the great strides that agriculture has made in late years in this country.

Practical Information for Agriculturists, 1893.

Price of land. Good lands can be rented at about 4*s.* a hectare (2½ acres), and bought at 2*l.* 10*s.* for the same area, say 1*l.* an acre. Some lands can be rented for a given quantity of grain to be delivered in a stated period.

The following are the average values of land in the provinces suitable for wheat and obtained from persons on the spot:—

Province of Santa Fé. In the province of Sante Fé the average price alongside railways is from 1,000 dol. to 2,000 dol. (66*l.* 14*s.* to 133*l.* 8*s.*) per 20 "squares" (80 acres); outside a 10-mile radius from a railway, 500 dol. to 1,000 dol. (33*l.* 7*s.* to 66*l.* 14*s.*) for the same area; and outside a 50-mile radius, 250 dol. to 500 dol. (16*l.* 9*s.* to 33*l.* 7*s.*), The following equivalents in sterling are with gold at 200 per cent. premium, or 15 dol. to the pound.

Province of Buenos Ayres, north and south. In the northern part of the province of Buenos Ayres the average price per "square" (4 acres) is, alongside railways, 20 dol. to 40 dol. (1*l.* 7*s.* to 2*l.* 14*s.*); outside a 10-mile radius from railway, 15 dol. to 35 dol. (1*l.* to 2*l.* 7*s.*), and outside a 50-mile radius, 8 dol. to 12 dol. (9*s.* 6*d.* to 14*s.*). In the southern parts the price for an area of 2½ acres is, alongside railways, 40 dol. (2*l.* 14*s.*); outside a 10-mile radius, 20 dol. to 30 dol. (1*l.* 7*s.* to 2*l.*); and outside the 50-mile radius, 12 dol. to 20 dol. (14*s.* to 1*l.* 7*s.*).

Province of Entre Rios. In the province of Entre Rios lands alongside railways seem to be worth from 80 dol. to 125,000 dol. per square kilom. (5*l.* 7*s.* to 8,000*l.*). Small lots would average rather less than in the province of Santa Fé.

Cost of preparing lands for wheat, maize, alfalfa. The cost of preparing land for the chief crops appears to be as follows:—

For wheat, ploughing, harrowing, and drilling cost from 20 dol. to 30 dol. (1*l.* 7*s.* to 2*l.*) per "square" (4 acres); for maize the same; and for alfalfa (Lucerne), up to 40 to 50 dol. (2*l.* 14*s.* to 3*l.* 7*s.*) per 4 acres, but often only 30 dol. (2*l.*)

Cost of harvesting. The cost of harvesting wheat is perhaps 10 per cent. of the value of the crop in some parts without threshing; in others it is 20 dol. per 1,000 kilos. (1*l.* 7*s.* per 2,200 lbs.) per 2 acres, including threshing. See total cost of production of wheat for other estimates.

Wages, cost of provisions, &c. For details as to wages, cost of provisions, &c. *see* former

Reports No. 216, Miscellaneous Series, and No. 1147, Annual Series.

The average yields of crops are about :—

	Per Hectare (2½ acres).	
Wheat	800 to 1,200 kilos.	= 1,760 to 2,640 lbs.
Maize	1,500 „ 2,000 „	3,300 „ 4,400 lbs.
Linseed	700 „ 800 „	1,340 „ 1,760 lbs.
Alfalfa (Lucerne)*..	6,000 „ 7,000 „	6 to 7 tons.

* 3 tons of green alfalfa make 1 ton of dried.

The prices of wheat have fallen considerably since the beginning of the season, when they were from 7 dol. (9*s.* 6*d.*) on the farm per 100 kilos. (220 lbs.) to 9 dol. 50 c. (12*s.*) in the markets. They have now fallen to 7 dol. 50 c. m/l or less in the Buenos Ayres market.

Average prices of animals.

The average prices for animals are about the following :— Cart horses, 60 dol. to 100 dol. (4*l.* to 6*l.* 14*s.*) ; bullocks for plough, 90 dol. to 120 dol. (6*l.* to 8*l.*) ; milch cows, 40 dol. to 150 dol. (2*l.* 14*s.* to 10*l.*), according to breed ; ordinary horses, 30 dol. to 50 dol. (2*l.* to 3*l.* 7*s.*) ; cattle, wholesale, native, 10 dol. to 12 dol. (14*s.* to 17*s.*) ; pigs fit for killin 25 dol. to 40 dol. (1*l.* 14*s.* to 2*l.* 14*s.*) ; ordinary pigs, 10 dols. 15 dols. (14*s.* to 1*l.*)

Wine Growing in the Argentine Republic.

Great progress of wine. growing. Its stability.

The wine production of the Argentine Republic has made great progress in the last 10 years rather in quantity than quality ; and is no doubt one of the most promising industries here, which many people consider would easily hold its own on its own merits, even if duties on imported wines were abolished, and this seems to be correct.

District of successful wine-growing.

Wine growing in this Republic is successful between 30° and 35° South ; in Europe it is between 37° and 50° North. One great advantage is less climatic changes.

Area fit for vineyards.

On Fliess' Agricultural Map (attached, p. 17), the area fit now for vineyards is shown by parallel pink lines ; that actually cultivated with vines by blocks of pink. These areas are calculated thus for the year 1891 together with their estimated yield in that year :—

Actual and possible area of vines.

Area and yield in 1891.

TABLE of actual and possible area of vineyards and yield in 1881

Province.	Area of Province.	Area fit for irrigation.	Area actually irrigated.	Area of vines.	Yield in 1991.	Yield in gallons.
	Square kiloms.	Hectares.*	Hectares.	Hectares.	Hectolitres.	
Mendoza	160,813	1,500,000	289,993	8,911	250,000	5,500,000
San Juan... ...	95,505	500,000	107,840	8,850	270,000	5,940,000
La Rioja	89,030	300,000	30,000	560	} 30,000	660,000
Catamarca ...	90,644	200,000	50,000	820		
Salta	128,266	1,000,000	60,000	926		
San Luis	75,917	100,000	50,000	1,023	12,000	264,000
Cordova	174,767	500,000	140,000	560	4,000	88,000
Entre Rios ...	75,457	Not irrigated	Not irrigated	1,499	36,000	792,000
Santa Fé	131,582	,,	,,	300	?	?
Buenos Ayres ...	311,377	,,	,,	5,600	?	?
Totals... ...	...	4,100,000	728,433	† 29,949	602,000	13,244,000

* 1 hectare = 2½ acres. † Only includes vineyards over one hectare.

Distribution of 602,000 hectolitres of 1891.

This estimate is probably somewhat too high. Of these 602,000 hectolitres (13,244,000 gallons), perhaps 32,000 were used by the non-producing provinces, 20,000 by the wine-producing provinces themselves, and the rest kept in stock.

175 gallons average yield per acre.

The average yield per acre is about 175 gallons.

Decrease in imported wines.

In late years there has been a large decrease in imported table wine, namely, from 107,000 litres in 1887 to 32,000 litres in 1891, or a diminution of 75,000 litres. For details of falling off in importation of wines, see Report No. 1147, Annual Series, under Imports. This is entirely due to a larger local production; and the consumption during that period has greatly increased, making the difference still larger. Competition will soon necessitate the perfecting of wine-growing in all its branches. In a few years' time, when the 18,000 hectares or more (45,000 acres) in the provinces of Mendoza and San Juan, are yielding their full capacity, which is by no means the case now, they will probably produce sufficient for all that the Argentine Republic at present consumes of ordinary table wine. But no doubt the local consumption will yearly increase, and still more so if wine gets cheaper.

Yield of province of Mendoza and San Juan, when vines yield full capacity.

Improvement of native wine necessary.

Native wines might be much improved by judicious blending and elaboration. The wine industry is chiefly in the hands of Argentines, Italians, Spaniards, and Frenchmen, and was originally started by natives. The necessary capital was formerly borrowed, but many wine-makers and grape-growers have now command of large capital. This industry is particularly remunerative for those working with their own capital, as the rate of interest on borrowed money is very high.

Advantage of working with one's own capital.

Growers unable, as yet, to hold wines for want of capital.

Unfortunately, those persons engaged in the production of wine have not yet sufficiently large capitals to enable them to hold native wines for a few years. Could they only do this, the flavour would be much improved and better profits made. Even ordinary wine is sold at a comparatively high price to-day, as duties on the im-

Ordinary wine dear.

ported article are so heavy. Many wines from these provinces are sold in Buenos Ayres as French imports.

Vines grow all over the Republic.

The cultivation of vines is not limited, like cereals, to districts. Grapes for eating purposes are produced in almost all the provinces; but vines, largely cultivated for making wine, have only existed for many years in the west of the Republic, in the provinces of Mendoza and San Juan.

Real zone for vineyards, Western Provinces.

Irrigation necessary.

In Eastern Provinces wine-making only an experiment.

The real zone for vineyards is in the higher lands of Mendoza, San Juan, Rioja, San Luis, and Catamarca, where the lands can be artificially watered—an essential requisite to the further development of the wine industry. In the provinces of Santa Fé and Buenos Ayres, vine-growing practically is only an experiment as yet, with more or less success. The produce of these latter provinces usually furnish fresh grapes only for the Buenos Ayres fruit market.

Value of vineyards in Mendoza and San Juan.

The 19,000 hectares (47,000 acres) of vineyards in the two provinces of Mendoza and San Juan are said to represent a value of some 40,000,000 paper dol. (2,330,000*l.*) In 1891 their estimated yield was 600,000 hectolitres (13,200,000 gallons). When all those vines bear fully they may yield 1,500,000 hectolitres (33,000,000 gallons), of a value of 2,000,000*l.* to 3,000,000*l.* sterling.

Value of produce of all vineyards, 1891.

The official estimated value of the produce of all vineyards in 1891 was 15,000,000 paper dol., or 1,000,000*l.*

Wine-growing on a large scale.

Wine growing on a large scale is confined to the provinces of Mendoza and San Juan. In Rioja and Catamarca the area is small; in San Luis it has only just been started; in Entre Rios the vines are getting acclimatised; in Tucuman the climate is too damp to grow grapes suitable for the manufacture of wine.

Causes of bad quality of native wines.

That native wines do not yet fulfil the requisites of a good table wine, is probably also due to adulteration and largely to bad manufacture, from deficient installation and want of supervision during fermentation.

Province of Mendoza, advantages

1881 and 1891 compared.

"Creole" and French vines.

The province of Mendoza has possessed vines for a great number of years. Its dry climate and streams with easy slopes from them make irrigation easy. The soil is of volcanic origin. Their area in 1881 was only 3,800 hectares (9,500 acres), which, by end of 1891, had increased to 8,960 hectares (22,200 acres), or 13 per cent. in 10 years. In 1881 the vines were all of "creole;" since then almost all the new plantations have been of French vines of the following classes, Malbèque, Cavernet, Guillot, and a few have been Californian.

Exemption from taxes of French vines.

170 wine-making establishments and yield.

By Law of September, 1884, 10 years' exemption from taxes is granted to owners of vineyards planted with French vine; at the end of 1891, 12,500 acres enjoyed this privilege. There are some 170 wine-making establishments registered in the Revenue Department, and their yield in 1891 was believed to be 240,000 hectolitres in all (5,280,000 gallons).

As few owners of vineyards have the costly necessary installments for making and storing wine—a special trade—that of "bordegueras" has sprung up. The owners of these establishments buy up the grape crop, and manufacture and store the wine till

Price of "Creole" and French grapes.

sold. "Creole" grapes fetch about 3 dol. (4*s.*) a quintal (46 kilos. = 100 lbs.), and French grapes about 6 dol. (8*s.*).

Vineyards average 5 hectares to 20 hectares (12½ acres to 50 acres) only. Grapes, as fruit, in the season sell sometimes for 10 c. (1½*d.*) a kilo. (2 lbs.).

French vines worth double "Creole" ones.

The value of vineyards planted with "Creole" and French grapes is very different; for taxation purpose, the former is valued at 1,506 dol. (100*l.*) a hectare, and the latter at 2,750 dol. (170*l.*), or nearly double. The land tax on them is 6 per cent. on value.

Production.

Each hectare (2½ acres) having vines 6 years old gives yearly some 15,000 to 18,000 kilos. (33,000 lbs. to 39,000 lbs.) of grapes, of which 180 kilos. to 200 kilos. make a hectolitre (22 gallons) of wine. The yield per hectare of wine is, therefore, about 80 hectolitres to 90 hectolitres (1,760 gallons to 1,980 gallons).

Yield larger than in Europe.

This yield seems to be much larger than in Europe, and may be ascribed to little rain, easy irrigation, composition of the soil, strong sun, and few winds, being partly sheltered by the high spurs of the Andes.

Cost of planting vines.

The cost of an average hectare of vines, until able to produce, is perhaps from 3,000 dol. to 5,000 dol. m/l (200*l.* to 333*l.*), depending largely on its proximity to a stream.

Profits 23*l.* per hectare or 9*l.* per acre.

It has been calculated by some persons that the profit per hectare is 400 dol. (23*l.*), or about 9*l.* an acre.

Wages.

Wages in the vineyards for women and boys are only 60 c. to 1 dol. (10*d.* to 1*s.* 3*d.*).

Taxes lower in San Juan.

All that has been said above of the province of Mendoza applies equally to the province of San Juan. The taxes, however, in the latter province are somewhat lower; the wine is often better, and

White wines.

has a more delicate taste. White wine is more made there, and the French grape is now used instead of Moscatel. The latter is now only grown for use as raisins.

Want of casks. Few made here.

There is one great difficulty in this wine-growing industry—the want of casks. Very few are made in the Republic. There is a factory of them at Villa Mercedes, but they are not very satisfactory. Most of the barrels used are imported with foreign wine or in bundles of staves and put together here, and which are

Openings for manufacture of casks.

imported free of all duty. There is evidently a great opening here for the local manufacture of good casks. The difficulty is to get the right wood. Oak and chestnut trees—those universally employed for this purpose—do not grow in this country, and would have to be planted.

Raisins.

Raisins are also a large local product. The Great Western Railway transported 3,800 tons of dried fruits in 1891 in the provinces of Mendoza and San Juan.

Cause of loss of grape yield.

There are only two causes of loss of the grape crop—1st, locusts; 2nd, "oidium."

Devastations of locusts in 1893.

Locusts are often most destructive to the grapes, and have this (1893) season been the cause of the loss of half the crop. But for their devastations this year's crop would have been double last year's.

"Oidium."

"Oidium" is the only other cause of loss at present, but is easily stopped by a sprinkling of lime-water or by sulphur.

"Phylloxera," which attacks the roots of vines, is apparently not to be feared here. It is said that the chemical composition of the soil in the wine districts would not permit it to live. It has, however, lately been reported to have appeared in the neighbouring Republic of Uruguay, and in consequence the importation of all vines and of many other plants has been prohibited from that Republic. But in May of this year, 1893, "phylloxera" has just been found on some vines in the town of La Plata, the capital of the province of Buenos Ayres, and has caused much consternation to proprietors of vines in that province. It is proposed that a Special Commission should be appointed to examine the vines in the province and report thereon.

"Phylloxera" did not exist up to May, 1893.

"Phylloxera" just discovered in the province of Buenos Ayres.

The area under vines in 1893 is estimated at 85,000 acres, divided as follows:—

The area under vines in 1893 85,000 acres.

	Acres.
Mendoza .. .. =	30,000
San Juan	22,000
Entre Rios	7,000
Catamarca	5,000
Other Provinces	21,000
Total	85,000

A good crop averages 2 tons of grapes, or 240 gallons of wine per acre; but as one-fourth of the above vineyards is new, the actual crop is probably only 120,000 tons of grapes, or 12,000,000 gallons of wine if converted.

Yield of a good crop.

But when the above vineyards are in full bearing, they may produce 25,000,000 gallons of wine according to some authorities.

Possible yield of all vineyards.

A few details of the cost of production and yield of vineyards, in the province of Mendoza, by a practical resident there, will be valuable to those interested in wine-growing. On the whole, Mendoza is perhaps the best province to purchase land for this purpose. Its value varies from 300 dol. to 1,000 dol. (20*l.* to 66*l.* 14*s.*) per hectare (2½ acres), and average good land fetches 650 dol., which, with the gold premium now at 200 per cent., represents 43*l.* 7*s.*

Practical cost of vineyards in 1893.

ESTIMATE for establishing Vineyards of 1 hectare:—

Estimated cost of establishing, 170*l.* per 2½ acres.

——	Currency.	Sterling.
	Dollars.	£ s. d.
Land	650	= 43 7 0
Preparation of land	150	10 0 0
Plants	50	3 7 0
Labour and Taxes	750	50 0 0
Posts (1,200)	360	24 0 0
Wire	600	40 0 0
Total	2,560	£170 14 0

This value includes the cultivation of 1 hectare (2½ acres) for 3 years. There is no produce during this period; then the yield

is 31 quintals (3,131 lbs.) in the fourth year, 100 quintals to 150 quintals (15,150 lbs.) in the fifth, and 250 quintals to 300 quintals (25,250 lbs. to 30,300 lbs.) in the sixth year.

Value of grapes.

In 1891 average grapes sold for 7 dol. (9*s.*) per quintal, so that the value of the yield in the producing years would be per hectare ($2\frac{1}{2}$ acres):—

——	Quintals.	Sterling.
		£ *s.* *d.*
Fourth year yield	— 31 at 9*s.*	= 13 10 0
Fifth year yield	125 „	56 5 0
Sixth year yield	275 „	123 15 0
		£193 10 0

Annual cost of keeping vineyard.

The annual cost of keeping a hectare in proper condition is about 5*l.* 10*s.* The yearly produce of selling the grapes is some 118*l.* 5*s.*

Requires large capital but profits good.

The reason that more persons do not go in for this remunerative cultivation is that few can afford to wait 4 years for a return on their capital. In 1893 about 10,000 hectares (25,000 acres) of land in the province of Mendoza are under vines, and produce 90,000 "bordalesas," or 9 "bordalesas" per hectare, or about 164 gallons per acre, which is an average yield.

Average profits 30 per cent. on capital.

It is stated that a man growing grapes and selling them on the plant can in good years make 30 per cent. on his capital, when the vineyard is in full bearing. An intending wine-grower should personally visit a locality to choose land, for the price of land varies largely according to its proximity to streams or canals. The province of Mendoza depends entirely on irrigation for this cultivation.

Sugar Cane Growing.

Extent of sub-tropical region.

The sub-tropical region may be said to be between latitude 22° and 28° South, covering an area of 130,000 square kiloms.

Three necessities for sugar-cane.

This is especially the sugar region. There are three absolute necessities for its successful growth—good land, plenty of water, and great heat. The sugar plantations are chiefly in the province of Tucuman, there being also a considerable extent of cane in the province of Jujuy and in the Chaco and Formosa (*see* Map, p. 17), the two northernmost territories; but in these latter sugar planting is a new cultivation in the last few years. In Santiago del Estero there is too much salt in the soil, and, though there are 6 sugar mills there, only 2 have been a success. Some lands, formerly good for sugar cane, have since become unfit for its cultivation.

Provinces in which cultivated.

Quality of lands.

Area of cane.

The following table shows the area cultivated with cane in 1891 and the region fit for its cultivation, which is marked on the agricultural map by the green blocks for actual cultivation, and by green parallel lines for possible area of sugar cane cultivation (*see* Map, p. 17). The Government of Tucuman, in September, 1891, estimated the area of sugar cane at 16,000 hectares:—

Map of sugar region.

TABLE of Cultivation of Sugar, 1891 (Region of Sugar Cane).

Province.	Area of Province.	Area fit for Sugar Cane.	Area actually cultivated with Sugar Cane.	Number of Sugar Mills.	Hectares cultivated.	Tons of Cane crushed.	Production of Sugar in Tons.
	Sq. kiloms.	Hectares.	Hectares.				
Tucuman	24,199	500,000	17,881 4,000	34	21,881	669,682	40,217
Jujuy	45,286	500,000	1,095	5	516	13,200	660
Santiago del Estero	102,355	80,000	516	1	475	2,300	161
Salta	128,266	500,000	475	2	1,095	25,924	1,701
Chaco, Formosa, and Santa Fé ..	240,834	Unknown.	1,200	2	1,709	4,500	337
Misiones	53,954	„	501	2		5,113	296
Total	594,894	1,580,000	25,668	46	25,676	720,719	43,373

This table marks out the province of Tucuman as the essentially sugar province, with 68 per cent. of the whole area and 93 per cent. of the whole production. Sugar can be grown on lands north of 27° South latitude.

Area of sugar-cane in 1891, 67,000 acres.

Yield of Republic.

Yield of the province of Tucuman.

Republic's consumption, 50,000 tons.

The extent of its cultivation in 1891 has been estimated, in the late Argentine Finance Minister's (Mr. Hansen) Report, at 67,000 acres, of which three-fourths were in that province, with a yield of 36,000 tons of sugar from the 46 sugar factories in all the provinces, which yield is considerably less than that in the above table. It is also estimated in that Report that the province of Tucuman produced 26,000 tons out of a total of 36,000 tons, and that the total consumption of the Republic was 50,000, or about 12 kilos. (26½ lbs.) per inhabitant, or less than one-half the consumption in England.

Local and imported sugar compared.

For some years past the local sugar crop has exceeded the quantity of sugar by at least 25 per cent., or even by 50 and 100 per cent. In 1891 the quantity of imported sugar was only one-fourth of the total local manufacture. The Argentine Republic will soon produce sufficient sugar for its own consumption; in 1891 it already contributed 90 per cent. Other estimates give the total yield of the Republic at 50,000 in 1891, and the estimated yield in 1892 at 62,000 tons.

Manufacture of sugar.

For details of the modes employed in manufacturing sugar in this country, *see* Mr. Bridgett's Report (No. 263, Miscellaneous Series).

In 1891 12,800 tons were imported, which, added to the estimated 43,000 tons locally produced, gives the Republic's consumption at 56,000 tons, or about 13 kilos. (29 lbs.) per head. In England it seems to be 30, in France 10, and in Italy 3.

Causes of increase of sugar cultivation.

There are three chief causes of the great increase of sugar cultivation in recent years.

1. The termination of railways to the extreme north, and the construction of the North Western Railway, which grants special privileged tariffs to native sugar.

2. The high premium of gold (now 200 per cent., and has been up to 320 per cent.) which enables a sugar cane grower to sell his sugar at a price slightly under that of imported sugar—and, therefore, at a gold rate—and to pay his labour at a very cheap rate in depreciated paper currency.

Being 9 cents. gold (=4½*d.*) per kilo. (=2½ lb.).

3. The high duties on imported sugar.

There are taxes on cane, plantations, buildings, machinery, motive power, and rum. There is even a talk of a tax on manufactured sugar also.

Imported sugar.

Imported sugar here is chiefly from France, Germany, and Austria.

The lowest price of 100 kilos. (220 lbs.) of German refined sugar put in Buenos Ayres is 96 marks, 4*l.* 16*s.* The estimated lowest price of Tucuman sugar in Buenos Ayres is from 15 to 20 dols. gold, or 3*l.* to 4*l.*, of which the actual cost of production in the province of Tucuman is 2*l.* 17*s.*, more or less.

Labour fairly plentiful.

Labour is plentiful at 15 to 20 dol. (1*l.* to 1*l.* 7*s.*) per month with rations, bread, maize, and shelter.

Labour, Argentine and foreign.

The labourers are mostly Argentines; foreigners cannot stand the heat of hard labour in these high latitudes. Italians and French have tried it, but most of them have given it up. The province of Tucuman has drawn a great number of its labourers from the neighbouring provinces, but these sources will not be available in time when those provinces develop further themselves. Many Italians are going to the province of Tucuman, which is getting healthier than it formerly was.

Italians.

Other provinces.

In the province of Jujuy and in the Government of the Chaco and Misiones there is said to be plenty of labour, and more can be drawn from the Republic of Paraguay, if required.

Concentration of capital and labour.

A considerable concentration of labour and capital is now taking place, and larger sugar establishments are being formed to save expenses.

Work done by Rosario sugar refinery.

As an instance of the progress of the sugar industry in the Argentine Republic, it may be mentioned that the Rosario sugar refinery has, from November 1, 1889, to April, 1893, elaborated over 52,000 tons of sugar, producing 45,500 tons of the refined article, and 600,000 litres of alcohol.

Profits.

The sugar cane grower generally cultivates 40 to 50 hectares (100 to 125 acres), which is often called a "colony." As much as 52,000 dol. (3,500*l.*) has been made in one year out of 78 hectares (192 acres). The average profits of 70 hectares (175 acres) is perhaps 45,000 dol. (3,000*l.* to-day).

Value of cane.

Manner of payment.

Some owners of sugar mills guarantee their cane growers 4 cents gold (2 pence) an "arroba" (25 lbs.), or its equivalent in paper on day of sale. The sugar mills are often distinct from the cane growers. Some grow their own cane or rent their lands to growers, who supply the necessary capital and appliances. Or they pay the planters with sugar, paying them from $2\frac{1}{2}$ to 3 per cent. of the yield in manufactured sugar, viz., for every 100 tons of cane 3 tons of sugar, or the equivalent value of this proportion.

Yield of cane.

The average yield of cane is about 45 tons per hectare ($2\frac{1}{2}$ acres) on the most fertile lands; and up to 100 tons per acre has been obtained. A large yield is only obtained by manuring, which is never done here at present, as it is cheaper to plant new land. Cane grown on manured land would give some 2 per cent. more of sugar. One ton of cane yields about 60 kilos. (132 lbs.) of sugar.

Average yield of sugar-cane.

Before 1891 the average yield of cane in sugar was only $4\frac{3}{4}$ per cent., whereas in that year the better methods of extraction employed increased the yield to about 6 per cent. Some mills even obtain 8 per cent. by the diffusion system. It is said still more might be extracted by the most perfected methods, but at present, as the profits are large, it is not worth while for small capitalists to purchase the latest machinery and employ more skilled labour.

The prices of sugar cane per "arroba" (25 lbs.) are 14 to 22 cents, paper (2*d.* to 3½*d.*), in 1892, and this year the same.

The 1893 season.

During 1892 sugar plantations were extended on a large scale; they increased fully 50 per cent., but owing to a very dry spring and summer the canes for this crop are very short. It is estimated that the production of sugar during 1893 will not surpass that of 1892, which has been put at 62,000 tons.

Large amounts of the most modern machinery, chiefly French, have been sent to Tucuman during the past year, to be ready for this year's crop.

Estimated yield of sugar, 1893.

The average yield for many years has been 6 per cent. of sugar. Frost is a drawback, and therefore districts near the hills are better. But they are not yet planted, as there is no railway communication to them.

Question of starting beetroot cultivation.

The question of starting beetroot here for the manufacture of sugar has been greatly discussed recently, and certain laws favouring its cultivation have been passed. It has been grown, but not successfully; the plant here grows too large, whereas the fine beetroot which yields the best saccharine is small, and can only succeed where there is at least 4 to 5 months of winter, as in Northern Europe. This climate, as may be seen from the Temperature Table (page 17), is not suitable for it, except perhaps in the very far south; and it is not probable that anyone will seriously take it up, unless with a large guarantee on the capital invested.

TABLE of Weights and Measures.

1 kilogramme	= 2·2046 lbs. avoirdupois.
1,000 kilogrammes	about 1 ton.
1 kilometre	0·62138 mile.
1 "square"	about 4 acres.
1 hectare	2·471 acres.
1 litre	0·22 gallon.
1 hectolitre	22 gallons.
1 "quintal"	46 kilos. = 101 lbs.
1 "arroba"	25 lbs.
1 bushel	55 lbs. = 25 kilos.

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1893.

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REPORT FOR THE HALF-YEAR ENDED JUNE 30, 1893,

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1178.

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1289.	Manila	2½d.
1290.	Bahia	1d.
1291.	Munich	1d.
1292.	Trieste	1½d.
1293.	Tunis	4d.
1294.	Montevideo	1½d.
1295.	Belgrade	2d.
1296.	Teneriffe	1d.
1297.	Stettin	3d.
1298.	Rome	2½d.
1299.	Dantzig	7d.
1300.	Sofia	2½d.
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No. 1303

Reference to previous Report, Annual Series No 1178.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Pakenham to the Earl of Rosebery.

My Lord, *Buenos Ayres, August* 28, 1893.

I HAVE the honour to forward to your Lordship herewith a Memorandum which has been drawn up by Mr. Findlay, Second Secretary in this Legation, on the subject of the Returns of the Foreign Trade of the Argentine Republic for the Half-year ended June 30, 1893.

I have, &c.
(Signed) F. PAKENHAM.

Report on the Foreign Trade of the Argentine Republic for the Half-year ended June 30, 1893.

Memorandum.

The returns of the foreign trade of the Argentine Republic for the half-year ended June 30, 1893, have just been received from the Statistical Department, and show the following results, as compared with the corresponding period of 1892 :—

Imports.

TABLE of Imports (Exclusive of Bullion) during the Years 1892–93.

	Amount.	
	1892.	1893.
	Dollars Gold.	Dollars Gold.
Subject to duty	31,214,582	41,349,127
Free..	6,701,965	6,230,553
Total	37,916,547	47,579,680

NOTE.—The value of imports are based on the tariff and are taken as gold, those of exports are based on current prices reduced to gold.

Exports.

TABLE of Exports (Exclusive of Bullion) during the Years 1892–93.

	Amount.	
	1892.	1893.
	Dollars Gold.	Dollars Gold.
Subject to duty	44,877,050	36,424,446
Free..	21,257,589	33,793,437
Total	66.134,639	70,217,883

Duties.

Duties of all categories (including additional duties) were collected in this period to the amount of 16,160,919 dol. gold, and 2,583,014 dol. paper.

The total trade of the half-year ended June 30, 1893, compared with the corresponding period of 1892, was approximately as follows:—

TABLE showing the Total Trade during the Years 1892–93.

	Amount.	
	1892.	1893.
	£	£
Imports	7,583,300	9,515,900
Exports	13,226,900	14,043,500
Total	20,810,200	23,559,400

The above figures show a total increase in the volume of trade amounting to 2,749,200*l*. The increase in imports being equivalent to over 20 per cent., and in exports to about 6 per cent.

The imports from and exports to the various countries (exclusive of bullion) are approximately as follows:—

FIRST Half-year, 1893.

Country.	Amount.	
	Imports.	Exports.
	Dollars Gold.	Dollars Gold.
United Kingdom	16,010,604	13,900,496
France	6,409,138	14,715,203
Germany	5,798,023	8,424,979
Belgium	4,774,646	8,843,813
Brazil	1,038,133	9,211,824
Italy	5,069,120	1,822,025
United States	3,573,620	2,229,075
Various	4,906,396	11,070,468
Total	47,579,680	70,217,883

From the preceding table it appears that the total volume of trade with the United Kingdom during the half-year just expired amounts to nearly 6,000,000*l.*, and is far greater than that with any other country, being, in fact, 25 per cent. of the total trade of the Argentine Republic.

The following table shows the figures representing the approximate values in sterling of the principal articles of importation, in which there has been either increase or decrease to any marked extent:—

IMPORTS.

Articles.	Amount.	
	June, 1892.	June, 1893.
	£	£
Groceries	1,320,000	1,080,000
Wines	500,000	840,000
Dry goods	2,680,000	3,220,000
Coal..	460,000	640,000
Hardware	1,060,000	1,500,000
Sundries	1,560,000	2,240,000
Total	7,580,000	9,520,000

Considerable increase is shown in every article of importation, with the exception of groceries.

The following table giving the quantities of the principal articles of importation is probably more reliable than that giving the values—

IMPORTS.

Articles.		Amount.	
		June, 1892.	June, 1893.
Sugar	Tons	12,000	5,000
Coal	„	230,000	320,000
Salt	„	90,000	280,000
Yerba	„	11,000	10,000
Wine	Gallons ..	4,700,000	7,600,000

The importation of sugar has diminished by more than half, while that of wine and salt has greatly increased.

The following table gives the official valuation of the various exports, given approximately in sterling:—

EXPORTS.

Articles.	Amount.	
	June, 1892.	June, 1893.
	£	£
Wool	6,220,000	4,420,000
Grain	3,100,000	5,220,000
Meat	720,000	740,000
Sheep skins..	700,000	560,000
Hides	1,080,000	1,240,000
Sundries	1,420,000	1,860,000
Total	13,240,000	14,040,000

It should be remembered that the valuation tariff has been altered as follows* :—

Articles.		Amount.	
		1892.	1893.
		Dollars Gold.	Dollars Gold.
Wool	Per ton ..	300	250
Linseed	„ ..	60	50
Cow hides	Each	2	2·20

* If the quantities given as exported be compared with the valuation, these figures are roughly the result, but no such change appears in the "Tarifa d'avaluos" for 1893.

Otherwise 1893 would have shown a greater increase as compared with the corresponding period of 1892.

I am also informed on good authority that large quantities of wheat have been held back in the hopes of a rise in the gold premium, and consequent higher prices when paid in currency, and that it is only now being placed in the market.

The quantities exported are approximately as follows :—

EXPORTS.

Articles.		Amount.	
		June, 1892.	June, 1893.
Wool	Tons	104,000	88,000
Wheat	„	360,000	690,000
Maize	„	120,000	10,000
Linseed	„	38,000	68,000
Meat	„	42,000	40,000
Minerals	„	1,400	700
Timber	„	26,000	63,000
Hay (alfalfa)	„	15,000	14,000
Cowhides	Number ..	1,820,000	1,720,000

The exportation of wool has fallen off, but the amount of wheat and linseed exported has enormously increased. There will probably be considerable exportation of alfalfa, owing to the long drought in Europe and the consequent scarcity of hay.

The trade of the country was distributed among the principal ports as follows :—

Ports.	June, 1893.
	£
Buenos Ayres	15,040,000
Rosario	3,360,000
La Plata	1,300,000
Bahia Blanca	600,000
San Nicolas	420,000
Various	2,840,000
Total	23,560,000

The trade passing through La Plata and Bahia Blanca for 1892 is given as about 1,460,000*l.* and 700,000*l.* respectively, so that it appears that the prosperity of these ports is rapidly increasing. This may be partly attributed to the development of the southern "camps."

In conclusion, it should be again observed that official valuations are arbitrary, and often much too high.

Quantities are a much more accurate means of appreciating the volume of trade. This has been constantly pointed out in previous reports, but perhaps it is well to repeat the caution to those interested in the subject.

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1892.

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AUSTRIA-HUNGARY.

REPORT FOR THE YEAR 1891

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 889.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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No. 1114.

Reference to previous Report, Annual Series No. 889.

AUSTRIA-HUNGARY.

VIENNA.

Consul-General Schoeller to the Marquis of Salisbury.

My Lord, *Vienna, July* 15, 1892.

I HAVE the honour to transmit to your Lordship, enclosed herewith, my Report on the Foreign Trade and Commerce of Austria-Hungary for the year 1891.

I have, &c.

(Signed) PAUL SCHOELLER.

Report on the Trade and Commerce of Austria-Hungary for 1891.

ABSTRACT of Contents.

	PAGE
Introduction	1
Conclusion of fresh treaties of commerce	1
Imports	2
Return of imports	3
Exports	4
Return of exports	5
Trade balance	6
Return of imports from Great Britain	8
„ exports to „	10
Traffic in precious metals	11

Introduction. The year on record is remarkable for the reason that it closes a long period during which a rigidly carried-through system of protection governed, which only benefited the minority, and was found at last to be unbearable by almost all classes and parties of the two countries.

Conclusion of fresh treaties of commerce. Long and tedious negotiations had to be carried on until at last fresh treaties of commerce were concluded between this monarchy on the one hand, and Germany, Italy, Belgium, and Switzerland on the other, which came into force on February 1 of the current year for a period of 12 years.

Import duties.

For Great Britain, whose commercial intercourse with Austria-Hungary is regulated by the "most favoured nation" clause, the treaty with the first-named country, viz., with Germany, this latter being likewise a customs treaty, is naturally of importance, as all the benefits accorded to German imports are likewise granted to those coming from Great Britain and British possessions.

The short period which has elapsed since the coming into force of the said treaties does not, of course, allow of any statements of the results achieved being made, and considering that only slight reductions in the rates have taken place, no sanguine expectations should be entertained as to any unusual improvement having taken place with reference to the commercial relations between Austria-Hungary and Great Britain.

Nevertheless, the importance of the said settlement cannot be denied, as a certain stability has been created, 427 items of the tariff having been "bound," *i.e.*, been fixed for the said period of 12 years. This gives to foreign manufacturers exporting into Austria and merchants here importing foreign goods a certain stability in their transactions, preventing any sudden increase of duty, through which a difficulty might at once be raised for the import, and which in some cases formerly almost amounted to a prohibition.

Period of negotiations.

The uncertainty which prevailed through nearly the whole of the year 1891 amongst commercial circles with respect to the negotiations for the said treaties and the changes to be caused thereby, naturally affected to some extent the commercial transactions; merchants here, of course, only importing such quantities of goods as they actually and immediately required, speculative purchases being quite out of question until it was known what the changes of the treaties would bring with them.

Imports.

Pig-iron.

Nevertheless, the imports in 1891 in general exhibit an increase, the natural consequence of the increase of population and of the long maintenance of peace, and only show a marked falling-off in pig-iron, the duty of which has since been diminished from 80 kr. in gold (1*s.* 7*d.*) to 65 kr. (1*s.* 3½*d.*) per 100 kilos. (2 cwts.).

Also the values of the imports show an increase, attributable to imports of higher classed raw materials and fabrics, and also to the increase of the price of imported field products.

The quantities of the imports of the more important classes of goods were as follows:—

Annex A.—Return of Principal Articles of Import into Austria-Hungary during the Year 1891.

Articles.	Quantity.		
	1890.	1891.	Difference.
	Cwts.	Cwts.	Cwts.
I. Provisions—			
Figs, dried	344,962	313,026	— 31,936
Poultry	47,412	29,676	— 17,736
Corn	3,653,072	2,178,540	— 1,474,532
Including—			
Barley	260,384	118,896	— 141,488
Oats	731,230	505,324	— 225,906
Maize	1,935,324	1,015,744	— 919,580
Rye	336,960	44,530	— 292,430
Wheat	84,822	190,374	+ 105,552
Spices	55,276	53,812	— 1,464
Coffee	703,100	711,678	+ 8,578
Cheese	33,740	37,886	+ 4,146
Almonds	32,240	39,462	+ 7,222
Rice	1,364,044	1,546,838	+ 182,794
Tea	11,454	12,736	+ 1,182
Wine	80,186	102,798	+ 22,612
Grapes	144,096	155,178	+ 11,082
Sheep (head)	59,608	143,434	+ 83,826
Oxen and bulls (head)	57,669	54,140	— 3,529
II. Materials for manufacturing purposes—			
Cotton	2,111,098	2,227,016	+ 115,918
Flax and hemp	629,386	706,544	+ 77,158
Jute	617,210	551,636	— 65,574
Wool	518,338	534,614	+ 16,276
Silk	31,696	33,728	+ 2,032
Hides and skins	336,860	490,698	+ 153,838
Indiarubber	9,200	10,386	+ 1,186
Lead	66,012	87,024	+ 21,012
Zinc	203,266	224,890	+ 21,624
Tin	38,692	47,184	+ 8,492
Pig-iron	1,335,864	824,056	— 511,808
Old „	282,722	299,582	+ 16,860
Copper	177,562	186,098	+ 8,536
Thick-shelled nuts for the manufacture of buttons	89,798	120,928	+ 31,130
Shells	78,182	53,424	— 24,758
Including—			
Mother-o'-pearl	53,832	42,730	— 11,102
Cocoanuts	13,082	14,280	+ 1,198
Succory, dried	121,526	142,774	+ 11,248
Coke	4,536,466	4,963,866	+ 427,400
Coal	67,785,674	73,403,916	+ 5,618,242
Iron ore	974,736	1,372,428	+ 397,692
Dyeing and tanning materials	731,514	920,538	+ 189,024
Palm oil, &c.	164,284	203,956	+ 39,672
Gums and resins	601,510	664,498	+ 62,988
Rags	62,446	77,300	+ 13,854
Linseed oil	162,004	233,148	+ 71,144
Mineral „	2,582,116	2,790,506	+ 208,390
Oilseed	274,782	311,856	+ 37,074
Salt for industrial purposes	355,786	536,010	+ 180,224
Sulphuric acid	80,504	53,788	— 26,716
Cane	23,178	18,870	— 4,308
Timber	3,138,444	1,799,546	— 1,338,898

RETURN of Principal Articles of Import into Austria-Hungary during the Year 1891—continued.

Articles.	Quantity.		
	1890.	1891.	Difference.
	Cwts.	Cwts.	Cwts.
II. Manufactures—			
Thrashing machines	28,614	38,448	+ 9,834
Glassware	68,174	82,938	+ 14,764
Wooden goods	265,304	361,794	+ 96,490
Instruments	6,598	8,006	+ 1,408
Leather	89,140	104,120	+ 14,980
Sundry machines	600,310	576,706	— 23,604
Paper	37,828	47,904	+ 10,076
Earthenware	1,214,898	1,950,778	+ 335,880
Woollen yarns	111,058	122,826	+ 11,768
„ goods	38,168	43,448	+ 5,280

The value of the total imports amounted to 54,000,000*l.*, which, as against 1890, with 51,000,000*l.*, shows an increase of 3,000,000*l.*, or 6 per cent.

Exports. Cereals. The exports likewise experienced an increase on the whole, although those of cereals—in spite of a good harvest—fell even beyond those of the preceding year. The figures taken generally for the item "cereals" show up, however, favourably for the Austrian trade, as the above-mentioned import of corn also shows a falling-off of about 1,500,000 cwts., or 40 per cent., whilst the falling-off of the export only amounted to 190,000 cwts., or about 1 per cent.

Sugar. Sugar—an important Austrian export product—shows a falling-off in the refined article, but this is more than counterbalanced by the important increase of the export of the article in a crude state. The money received by Austrian sugar manufacturers in the year 1891 for exported sugar amounted to more than 7,000,000*l.*—a very important item, and the more so when it is taken into consideration that Austria is now changing her silver (paper) currency into gold currency, and is, therefore, dependant on gold remittances. In this way nearly 100,000,000*l.* have been received from abroad for sugar during the last 25 years.

Mill produce and wine. Potatoes. The exports of mill produce fell off considerably, but those of potatoes show a large increase. Also those of wine show a considerable reduction, owing to the bad vintage, which was accompanied by a smart increase of the price.

Mineral coal. Pig-iron. The exports of mineral coal show their usual increase, but those of iron ore and of pig-iron show a rather important decrease.

Manufactured goods. Fabrics, textiles, and most other manufactured goods show an increase—an exception were iron goods and machines, also hardware, the latter probably being less exported to America on account of the impediments caused by the McKinley Bill.

The figures of the quantities of the exports of the more important classes of goods are as follows:—

Annex B.—Return of Principal Articles of Export from Austria-Hungary during the Years 1890–91.

Articles.	Quantity.		
	1890.	1891.	Difference.
	Cwts.	Cwts.	Cwts.
I. Provisions—			
Corn	15,469,008	15,280,384	− 188,624
Including—			
Barley	7,625,492	6,646,312	− 979,180
Malt	2,558,122	3,777,738	− 180,384
Oats	194,030	707,354	+ 513,324
Maize	267,942	1,658,284	+1,390,342
Wheat	4,737,782	3,096,184	−1,641,608
Rye	65,992	745,470	+ 679,478
Dried vegetables	1,295,686	2,358,234	+1,062,548
Fruit	1,428,810	2,462,446	+1,033,636
Vegetables	896,810	2,504,706	+1,607,896
Mill produce	2,740,928	2,013,038	− 727,890
Beer	1,055,374	1,104,746	+ 49,372
Wine	1,375,102	782,528	− 592,574
Spirit	668,314	744,780	+ 76,466
Mineral waters	421,620	362,504	− 59,116
Butter	84,510	89,652	+ 7,142
Eggs	1,219,916	1,119,218	− 100,698
Fish	59,682	69,934	+ 10,252
Meat	210,528	224,260	+ 13,732
Poultry	151,644	130,408	− 21,236
Game	43,602	32,982	− 10,620
Potatoes	400,244	1,664,014	+1,262,770
Salt	128,306	97,210	− 31,096
Sugar, refined	5,343,066	4,616,618	− 726,648
„ crude	2,669,462	5,445,274	+2,775,812
Pigs (head)	165,985	143,799	− 22,186
Horned cattle (head)	117,601	98,141	− 19,460
II. Articles for manufacturing purposes—			
Coal	148,063,064	153,993,040	+5,929,976
Timber	44,835,890	43,892,980	− 942,910
Ozokerite	178,378	198,120	+ 19,742
Margarine	86,686	164,708	+ 78,022
Chemical materials	508,392	542,818	+ 34,426
Manure	480,624	527,990	+ 47,366
Iron ore	3,183,726	1,761,188	−1,422,538
Pig-iron	399,768	180,388	− 219,380
Charcoal	608,660	405,766	− 203,894
Hops	53,416	65,672	+ 12,356
Oil-seed	1,264,160	234,052	−1,030,108
Pulp	598,534	513,830	− 84,704
Tobacco	37,912	26,370	− 11,542
Wool	185,572	140,376	− 55,196
III. Manufactures—			
Cotton yarns	27,958	31,278	+ 3,320
Linen „	153,404	163,358	+ 9,954
Woollen „	16,882	16,094	− 788
Silk	26,532	27,490	+ 958
Cotton goods	59,744	50,708	− 9,036
Linen „	45,508	45,564	+ 56
Rope-makers' goods	27,048	35,858	+ 8,810
Woollen „	102,368	75,788	− 26,580
Silk „	10,166	11,874	+ 1,708
Garments and linen	26,942	38,032	+ 11,090

RETURN of Principal Articles of Export from Austria-Hungary during the Years 1890–91—continued.

Articles.	Quantity.		
	1890.	1891.	Difference.
	Cwts.	Cwts.	Cwts.
III. Manufactures—continued—			
India-rubber goods	4,138	8,916	+ 4,778
Leather „	46,374	58,124	+ 11,750
Glassware	781,106	855,750	+ 74,644
China	172,800	173,956	+ 1,156
Iron goods	777,180	709,104	— 68,076
Machines	186,068	180,506	— 5,562
Metal goods	66,330	62,904	— 3,426
Wooden „	692,226	699,714	+ 7,488
Bone „	5,336	3,782	— 1,554
Instruments	8,794	13,000	+ 4,206
Hardware	80,810	54,236	— 26,574
Paper	822,274	865,344	+ 43,070
„ goods	56,138	62,118	+ 5,980
Matches	179,100	167,540	— 11,560

The value of the total exports amounted to 67,000,000*l.*, which is an increase of 3,000,000*l.*, or about 3 per cent., as against the value of the exports of 1890.

Trade balance.

With reference to the so-called trade balance the above figures show that there was a surplus of 13,000,000*l.* of exports. This is, against 1890, a decrease of 5 per cent., but it must be taken into consideration that the imports of 1891, with 54,000,000*l.*, nearly reach the highest amount hitherto on record, viz., that of 1882, with 54,500,000*l.*, whilst the exports of 1891, with nearly 67,000,000*l.*, surpass all the preceding years.

The figures of the imports and of the exports for the last decennium were as follows:—

Years.	Value.			
	Imports.	Exports.	Aggregate.	Surplus of Exports.
	£	£	£	£
1882	54,500,000	65,159,000	119,659,000	10,659,000
1883	52,075,000	62,500,000	114,575,000	10,425,000
1884	51,050,000	57,625,000	108,675,000	6,575,000
1885	46,500,000	56,250,000	102,750,000	9,750,000
1886	45,000,000	58,225,000	103,225,000	13,225,000
1887	46,800,000	56,850,000	103,650,000	10,050,000
1888	44,450,000	60,700,000	105,150,000	16,250,000
1889	49,100,000	63,850,000	112,950,000	14,750,000
1890	50,890,000	64,280,000	115,170,000	13,390,000
1891	54,050,000	67,050,000	121,100,000	13,000,000
Total ..	494,415,000	612,489,000	1,106,904,000	118,074,000

It is thus shown that during the last decennium the Austro-Hungarian Monarchy obtained a clear revenue of 118,000,000*l.* of the trade balance.

The principal articles imported into Austria-Hungary from Great Britain and her Dependencies in 1891 were as follows:—

TABLE showing Principal Articles Imported into Austria-Hungary from Great Britain and her Dependencies in 1891.

Class.	Articles.	Quantity.	Quantity.
		Cwts.	Cwts.
I.	Cocoanuts	..	2,376
	Coffee	..	177,562
	Tea	714	..
	,, direct from China ..	10,506	..
			11,220
II.	Spices	..	35,302
VI.	Rice	..	1,086,264
VII.	Vegetables, fruit, and plants ..	..	47,868
X.	Hides and skins	..	69,576
XI.	Grease	..	126,624
XII.	Oil	..	93,886
XIII.	Beverages	..	9,368
	Including—		
	Rum	7,438	..
XIV.	Eatables..	..	80,890
	Including—		
	Herrings and other preserved fish	79,240	..
XV.	Timber and coal	..	908,044
XVI.	Turners' materials	..	33,192
XVII.	Minerals	..	77,494
XIX.	Tanning and dyeing materials	..	121,324
XX.	Gums and resin	..	64,670
XXI.	Mineral oil	..	8,984
XXII.	Cotton and cotton refuse ..	..	947,542
	Cotton yarns	..	162,360
	Cotton goods	..	5,236
XXIII.	Jute	..	438,134
	Flax and linen yarns	..	10,956
	Linen goods	..	248
	Jute sacks and sacking ..	..	2,302
	Ropes, &c.	..	126
XXIV.	Wool and shoddy	..	93,536
	Woollen yarns	..	43,722
	,, goods	..	13,236
XXV.	Silk and silk goods	..	714
XXVI.	Hats and garments	..	17,860
XXX.	Indiarubber and indiarubber goods	..	5,686
XXXI.	Oil-cloth	..	4,174
XXXII.	Leather	..	48,346
	,, goods	..	1,926
XXXIV.	Wood and bone goods.. ..	..	6,694
XXXVI.	Slate	..	110,200
XXXVII.	Earthenware	..	21,550
XXXVIII.	Pig-iron, &c.	..	569,362
	Old iron..	..	6,512
	Iron and steel in bars	..	15,106
	Iron plates	..	9,606
	Wire	..	4,734
	Cast-iron	..	1,316
	Iron goods	..	9,570
	Sickles	..	318
	Nails	..	172
	Boilers, &c.	..	1,470
	Tools and arms....	..	6,314
	Steel pens	..	1,240
	Needles, &c.	..	296
XXXIX.	Metals and metal goods ..	..	45,280

TABLE showing Principal Articles Imported into Austria-Hungary from Great Britain and her Dependencies in 1891 —continued.

Class.	Articles.	Quantity.	Quantity.
		Cwts.	Cwts.
XL.	Machines	..	210,122
XLI.	Cycles	..	806
XLIII.	Watches .. .. (pieces)	..	1,021
	Umbrellas .. (pieces)	..	2,704
XLVI.	Chemical substances	..	67,970

TABLE showing Principal Articles Exported from Austria Hungary to Great Britain and her Dependencies in 1891.

Class.	Articles.	Quantity.	Quantity.
IV.	Sugar—	Cwts.	Cwts.
	First class	..	64,060
	Second „	..	169,770
	Third „	..	1,494,124
V.	Tobacco	..	8,288
VI.	Corn	..	1,392,722
	Including—		
	Barley	475,608	..
	Flour	675,196	..
	Wheat	139,908	..
	Dried vegetables	100,342	..
VII.	Vegetables and plants	..	12,708
VIII.	Horses .. .. .. (head)	..	464
	Horned cattle .. .. „	..	292
IX.	Game and poultry	..	6,734
X.	Eggs	..	164,888
	Hides and skins	..	1,694
XI.	Butter	..	3,732
	Ozokerite	..	7,992
	Margarine	..	816
XII.	Spirits	..	1,106
	Wine	..	4,506
	Mineral waters	..	21,448
	Vinegar	..	244
	Beer	..	36
XV.	Timber	..	5,300
	Staves	..	15,382
	Wooden goods	..	6,352
XVI.	Canes	..	1,452
	Meershaum	..	25
	Horns	..	112
XVII.	Ores and minerals	..	140,588
XIX.	Tanning materials	..	75,740
XX.	Gums and resins	..	6,432
XXII.	Cotton and cotton goods ..	..	2,346
XXIII.	Hemp	..	2,012
	Flax	..	8,592
	Linen yarns	..	812
	Jute „	..	1,458
	Linen goods	..	1,420
	String and ropes	..	9,300
XXIV.	Wool and shoddy	..	5,436
	Woollen goods	..	5,058
XXV.	Silk „	..	2,608
XXVI.	Garments and linen	..	1,278
XXVII.	Brushes	..	1,564
XXIX.	Pulp, paper, and stationery ..	..	195,172
XXX.	Indiarubber goods	..	728
XXXII.	Shoes	..	3,240
	Gloves	..	5,054
	Leather goods	..	804
	Leather	..	460
XXXIV.	Furniture and wooden goods ..	..	24,090
XXXV.	Glass and glassware	..	74,310
XXXVII.	Earthenware and china ..	..	11,876
XXXVIII.	Iron and iron goods	.	5,096
XXXIX.	Metal goods	..	11,368
XLIII.	Scientific instruments	..	210
	Musical „	..	1,532
	Hardware	..	546

TABLE showing Principal Articles Exported from Austria-Hungary to Great Britain and her Dependencies in 1891—continued.

Class.	Articles.	Quantity.	Quantity.
		Cwts.	Cwts.
	Mother-o'-pearl buttons ..	..	3,370
	Fancy goods	..	7,338
XLV.	Chemical substances	..	2,280
XLVI.	Starch	..	11,536
	Medicines	..	722
	Perfumery	..	632
	Chemical products	..	3,014
XLVII.	Soap	..	4,726
XLVIII.	Matches..	..	13,644
XLIX.	Books	..	436
	Music	..	24
	Pictures, prints, and engravings	..	882
L.	Manure	..	1,600
	Bran	..	4,000

The imports and exports of precious metals and coins were, in 1891, as follows, comparing the same with those in 1890:— Precious metals.

IMPORTS.

	Quantity.		
	1890.	1891.	Difference.
	Lbs.	Lbs.	Lbs.
Gold in bars	1,183	3,204	+ 2,021
Gold coins	63,049	53,088	− 9,961
Silver in bars	60,511	107,777	+ 47,266
Silver coins	11,470	10,903	− 567

EXPORTS.

	Quantity.		
	1890.	1891.	Difference.
	Lbs.	Lbs.	Lbs.
Gold in bars	..	1,503	+ 1,503
Gold coins	5,870	12,047	+ 6,177
Silver in bars	290	2,171	+ 1,881
Silver coins	2,119	68,866	+ 66,747

The value of the traffic in precious metals was as follows, comparing the same with 1890:— Value.

	Value.		
	1890.	1891.	Difference.
	£	£	£
Imports	3,625,000	3,291,666	– 333,334
Exports	359,168	966,666	+ 606,498
Surplus of Imports ..	3,265,832	2,325,000	– 940,832

It is thus shown that the balance resulting from the said traffic was, in 1891, considerably less favourable than in 1890, the import of gold coins having decreased by about 10 met. lbs., whereas the export showed an increase of about 6 met. lbs. The increase in the import of silver bars was fully compensated by the increased export of silver coins.

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AUSTRIA-HUNGARY.

REPORT FOR THE YEARS 1890-91

ON THE

TRADE OF TRIESTE.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 836.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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AUSTRIA-HUNGARY.

TRIESTE.

Consul Haggard to the Earl of Rosebery.

My Lord, *Trieste, November* 30, 1892.

I HAVE the honour to transmit herewith the copy of a letter from Mr. Vice-Consul Cautley with the Trade Report for this Consular District for the years 1890–91, during most of which time he was Acting-Consul.

I have, &c.

(Signed) JOHN G. HAGGARD.

Vice-Consul Cautley to Consul Haggard.

Sir, *Trieste, November* 22, 1892.

I HAVE the honour to transmit to you my Report on the Trade of Trieste during 1891 and 1890, and beg that you may be good enough to forward it to the Foreign Office.

I have, &c.

(Signed) P. P. CAUTLEY.

Report on the Trade of Trieste for the Years 1890–91.

ABSTRACT of Contents.

	PAGE
Consequence of the cessation of the freedom of the port	2
Manufactories	2
Railway communication	2
Difficulties created by custom-house	2
Bonded warehouses	2
Value of total imports and exports by sea and by land	3, 4
Shipping	4
Clearances in 1891, 1890, and 1889	5

Abstract of Contents—continued.

	Page
Tonnage of British vessels	5
Arrivals in 1891, 1890, and 1889	6
Clearances „ „ „	6
Arrivals from British ports	7
Clearances for ditto	7
Detailed value of imports	8
„ exports	9
Re-introduction of free port petitioned for	9
General imports compared with the share from British ports	10
„ exports „ „ to „	14
Austrian Lloyd Steam Navigation Company	17

Consequence of cessation of the freedom of the port.

In consequence of the cessation of the free port of Trieste, which measure came into operation on July 1, 1891, the trade and commerce of Trieste has considerably decreased, and now that a year has elapsed since the town and territory of Trieste have joined the Austro-Hungarian Customs Union, we see the depressing effect of the measure.

The causes are numerous: the small adaptability of the population to industrial enterprise; the want of railway communication; the slight consideration of the customs authorities towards the wishes of the merchants; and the increased warehousing and incidental expense, &c.

Manufactories.

Since Trieste has ceased to be a free port, scarcely any new manufactories have arisen to make up for the very considerable business *in transitu* done in former years.

Railway communication.

The direct railway which is to join Trieste and the south of Germany, thus creating a new outlet for foreign produce, is still a pious wish, owing to this idea having been the political pivot on which the different parties have for years based their programme.

A chocolate factory, which had a large set of customers abroad, and was able to compete victoriously in former years, when the cocoa nibs entered free of duty and Austrian sugar enjoyed the drawback on entering the towns, has in vain applied to have the drawback on sugar granted on the amount used in the chocolate exported; and has in consequence closed its works.

Difficulties created by custom-house.

Minor difficulties laid on merchants dealing in Austrian and foreign goods, such as plumbing packages coming from Austrian ports by sea, removing the seals on arrival, and replacing them on re-exportation, all at the expense of the parties, tend to render commerce more and more difficult.

Bonded warehouses.

Then the Chamber of Commerce, together with the municipality, have undertaken to erect the warehouses, on the bonded area, for which they have raised a loan of 11,000,000 fl., and although the rent of the different magazines and warehouses is excessively high, the amount received does not even suffice to pay the interest on the capital.

The high rates of warehousing have caused several firms to

transfer their seat to other towns where the charges are not so exorbitant.

Again, when a vessel is loading or unloading, she is obliged to make use of the hydraulic cranes, and should she prefer to make use of her own winches she must pay cranage, whether the cranes are used or not.

TABLE showing the Total Value of the General Imports and Exports during the Years 1889–91.

EXPORTS.

Year.	Value.			Value of total imports and exports.
	By Sea.	By Land.	Total.	
	£	£	£	
1889	17,072,067	13,012,017	30,084,084	
1890	16,738,963	14,611,051	31,349,014	
1891	13,897,973	13,172,599	27,070,572	

IMPORTS.

Year.	Value.		
	By Sea.	By Land.	Total.
	£	£	£
1889	13,007,837	13,364,211	26,372,048
1890	14,136,293	12,954,419	27,090,712
1891	13,495,268	11,393,134	24,888,402

The exports have decreased steadily except those by land in 1890, which means that the surplus amount of foreign goods lying at Trieste were sent inland, even at a sacrifice.

The imports by sea (foreign goods) increased considerably during 1890 and especially during the first half of 1891, although not enough during the latter period to influence the whole year, and this on account of the customs issuing the regulations for the cessation of the free port on June 26 only, whilst the freedom ceased on July 1.

To read the above figures rightly it must be remembered that Trieste was only an entrepôt, most of the goods arriving by sea being destined for the inland, and vice versâ, goods from the inland being for abroad, and the above figures show the value of all the imports and exports, be it by sea or by land, from foreign parts and from the home markets, and of all the exports both by sea and by land.

To show more exactly how nearly all the goods imported by sea are forwarded inland, and what amount of goods imported by land

are exported by sea, in the following tables, I place the two figures opposite each other; the difference between the two will therefore mean the amount used for local consumption.

TABLE showing the Total Value of Imports and Exports by Sea and by Land during the Years 1889–91.

Year.	Value.	
	Imports by Sea.	Exports by Land.
	£	£
1889	13,007,887	13,012,017
1890	14,136,293	14,611,051
1891	13,495,268	13,172,599

Which figures, as will be seen, are nearly equal.

Year.	Value.	
	Imports by Land.	Exports by Sea.
	£	£
1889	13,364,211	17,072,067
1890	12,954,419	16,738,963
1891	11,393,134	13,897,973

Spirits.

The discrepancies in the above figures mean the difference between the value of the manufactured goods and the raw material.

For instance, to follow up the one article of spirits, we find that the total amount of raw spirits imported into Trieste was 12,393 tons, whilst 10,121 tons only were exported. The 2,300 tons which remain unaccounted for were re-exported in the shape of rum and liqueurs, of which 362 tons were imported and 2,420 tons exported; nearly making up the missing amount and explaining how the value can have increased. At the same time the small difference between the two figures shows how backward industrial enterprise is.

Value of imports.

At a cursory glance over the commercial returns of the Chamber of Commerce we find that in the imports British East India occupies the first place with 2,250,000*l.*; then comes Italy with 1,900,000*l.*; Brazil with 1,600,000*l.*; Turkey with 1,080,000*l.*; and the Austro-Hungarian ports with 1,000,000*l.*, &c.

Shipping.

In the exports, Turkey comes first with 2,580,000*l.*; Austro-Hungarian ports with 2,250,000*l.*; Italy with 2,000,000*l.*; England and Egypt with something over 1,000,000*l.*, &c.

The shipping at Trieste shows a decrease.

RETURN of all Shipping at the Port of Trieste during the Year 1891 compared with 1890.

	1891.		1890.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Entered..	7,835	1,474,865	7,873	1,471,464
Cleared..	7,785	1,478,180	7,856	1,457,174

RETURN showing the Number of Vessels Entered at the Port of Trieste belonging to the undermentioned Countries during the Year 1891.

Country	Number of Vessels.	Tons.
Austria	5,675	835,518
Italy	1,683	285,857
England	204	251,363

TABLE showing the Nnmber of Vessels Cleared from the Port of Trieste during the Years 1889–91.

For what Ports.	1891.		1890.		1889.		Vessels cleared.
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	
Austro-Hungarian	5,154	312,439	5,105	293,269	4,540	159,084	
British	124	164,154	135	175,240	144	189,544	
Italian	1,649	368,402	1,775	377,032	1,814	356,801	
Turkish	377	266,630	336	270,541	342	241,101	
Russian, Black Sea	82	85,432	80	82,114	88	85,281	
French	64	50,937	46	35,896	57	40,586	
Egyptian	58	86,925	56	83,698	60	78,414	
American, United States	19	41,627	19	43,849	19	38,588	

In 1891 the average tonnage of British vessels touching at this port was 1,232, which figure is reduced by some small Maltese steamers which touch this port. Tonnage of British vessels.

The average tonnage of all ships was 188 tons, this figure being low, on account of the many coasting vessels from Austria, Italy, and Greece.

The number of British vessels entering the port in 1891 was 204 with 251,363 tons, viz. :—

TABLE showing the Arrivals of British Vessels during the Years 1889–91.

Arrivals in 1889–91.

From what Ports.	1891.		1890.		1889.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Austrian	6	6,109	7	7,085	12	14,122
British	147	178,275	163	205,532	166	198,773
Italian	24	27,361	20	16,142	24	18,223
American, United States	8	17,669	6	14,744	3	5,715
Russian	9	12,763	8	10,692	12	11,249
French	5	7,419	...	...	...	...
Brazilian	1	1,125	1	1,024	1	107
Greek	1	642	3	3,034	2	1,714
Japanese	...	...	...	...	2	2,177
Total	204	251,363	208	258,253	222	252,680

The number of British vessels clearing from this port in 1891 was 206 with 255,848 tons, viz :—

TABLE showing the Clearances of British Vessels during the Years 1889–91.

Clearances in 1889–91.

To what Ports.	1891.		1890.		1889.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Austrian	11	11,601	6	4,384	1	1,213
British	92	111,576	95	115,092	113	136,959
American, United States	19	41,627	19	43,849	19	38,588
French	23	24,876	18	17,468	18	18,281
Russian	15	19,940	14	18,075	15	16,592
Italian	12	18,188	16	22,958	13	9,985
Turkish	7	8,490	14	15,483	18	18,470
Egyptian	6	8,015	2	3,227	...	...
Tripoli	15	6,485	15	7,232	17	5,351
Roumanian... ...	1	1,223	3	3,000	...	...
Tunisian	1	462	...	...	2	1,300
Greek	4	3,365	4	4,660	3	3,047
Spanish	...	...	1	1,305	1	490
Total	206	255,848	207	256,733	220	250,276

TABLE showing the Arrivals of all Flags from British Ports during the Years 1889–91.

Arrivals from British ports in 1889–91.

From what Ports.	1891.		1890.		1889.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Bombay	27	53,859	32	61,754	28	52,891
Calcutta	5	8,775	3	4,426	3	5,712
Cardiff	14	17,909	16	18,617	22	32,554
Glasgow	21	19,140	18	21,688	14	15,869
Grangemouth ...	1	667	...	...	...	...
Greenock	1	609	...	...	...	...
Hong-Kong... ...	6	12,061	6	11,055	8	15,163
Hull	21	23,173	21	23,892	24	28,562
Jamaica	4	2,048	4	1,849	4	1,948
Lagos	3	494	3	470	1	166
Leith	2	1,558	3	2,034	2	850
Liverpool	48	60,501	50	65,398	50	66,464
London	19	24,777	21	26,708	20	25,690
Malta	16	8,069	17	8,253	12	4,095
Newcastle	11	11,596	15	14,616	16	16,627
Newport, Mon. ...	2	2,005	2	1,938	1	754
Sunderland ...	2	3,054	...	...	...	...
Total	203	250,295	211	262,698	205	267,345

TABLE showing the Clearances of all Flags for British Ports during the Years 1889–91.

Clearances for British ports in 1889–91.

To what Ports.	1891.		1890.		1889.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Bombay	13	31,699	14	33,423	13	29,880
Calcutta	1	855	3	4,646	1	855
Dublin	2	1,416	4	4,760	1	1,389
Glasgow	7	5,610	6	4,979	7	9,838
Hong-Kong ...	8	15,333	7	13,785	9	17,073
Hull	20	21,727	22	24,915	23	26,746
Lagos	1	130	...	...	...	...
Limassol	1	148	3	799	...	...
Liverpool	49	61,640	47	61,503	50	66,393
London	19	24,968	18	22,992	24	32,063
Malta	3	697	9	2,319	14	4,548
Total	124	164,223	133	174,121	142	188,785

Below I give the quantity and value of the principal articles of import and export, both by land and sea, compared with the two preceding years, arranged according to their respective value, in 1891 :—

Detailed value of principal imports and exports.

RETURN of Principal Articles of Import to Trieste during the Years 1891–90–89.

Detailed value of imports.

Articles.	1891.		1890.		1889.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£
Textiles and yarns	18,402	4,239,909	38,879	4,133,571	14,935	3,499,231
Coffee	34,589	2,882,425	18,949	3,725,900	39,942	3,731,821
Cotton	56,725	2,162,104	66,911	2,955,221	65,845	2,908,132
Fruits, oranges, &c.	81,505	1,171,176	97,812	1,720,596	74,918	1,393,515
Wood and timber...	...	1,125,975	...	1,171,010	...	1,196,327
Tobacco	5,954	1,069,858	5,660	809,631	4,421	737,787
Sugar, raw and refined	57,449	857,389	106,905	1,502,647	67,437	1,118,517
Hats, felt and silk	749	811,568	750	938,012	609	509,516
Wines	43,170	808,435	42,439	796,708	33,153	790,095
Hides	10,344	741,906	8,904	767,867	10,010	897,968
Wearing apparel	844	562,809	421	280,535	387	272,064
Paper	22,697	458,083	22,421	529,660	19,865	549,979
Iron and iron goods	26,919	457,892	28,310	579,390	23,209	499,912
Grain	58,812	447,324	75,383	512,093	73,188	503,445
Flour	39,878	432,017	41,374	413,740	41,664	416,634
Valonea	25,847	387,707	17,350	260,515	7,417	311,427
Olive oil	9,803	326,776	9,730	364,882	17,087	683,482
Indigo	721	315,704	1,099	732,640	1,066	716,174
Spirits	12,469	313,014	10,453	264,344	9,665	245,861
Cotton-seed oil	9,808	270,943	15,353	417,979	7,136	270,337
Hardware	2,794	262,270	3,610	325,761	2,912	292,840
Mineral and lubricating oil ...	51,457	261,059	44,337	298,740	35,732	269,706
Non-precious metals	4,816	257,412	4,707	242,288	5,288	244,035
Oxen (heads)	21,696	247,413	22,273	255,571	25,735	289,578
Gums (tons)	2,255	223,644	1,591	325,631	1,491	335,459
Sponges	294	208,080	316	394,350	283	431,895
Glassware	7,023	207,580	7,737	260,515	7,417	311,427
Machinery	3,321	192,537	1,769	108,370	1,948	146,985
Wooden goods	5,411	177,125	4,978	166,457	4,774	224,242
Rice	13,631	170,387	10,506	131,322	19,921	249,013
Tea	737	165,798	605	166,457	601	165,200
Beer	12,244	153,045	11,409	133,100	11,263	112,630
Drugs	4,013	151,267	4,961	221,011	3,982	225,514
Gold bullion (lbs.)...	24	141,956	...	...	...	...
Leather (tons)	1,106	140,631	1,064	157,873	1,343	249,735
Chemical produce	533	130,418	561	62,858	526	26,288
Dried vegetables	16,353	126,027	9,693	75,214	11,075	93,702
Wool	1,584	125,390	1,751	128,430	1,967	144,290
Matches	5,913	118,274	5,885	117,707	6,362	212,049
Coal and coke	137,309	114,424	138,014	115,011	137,323	228,372
Insect powder	975	113,736	1,353	157,973	...	...
Leather goods	349	104,849	316	92,306	...	...
Seeds	9,361	96,248	6,570	67,693	5,041	61,782
Mother-of-pearl	947	86,718	1,126	103,217	1,539	141,054
Essential oils	323	86,705	266	105,850	288	119,415
Hemp	2,988	84,640	2,576	77,269	3,145	153,144
Cream of tartar	1,682	84,147	1,983	99,216	1,354	72,121
Musical instruments	422	82,485	324	53,096	382	56,067
Silk yarn	54	80,580	30	44,520	87	130,785
Paraffin	2,109	78,850	2,700	107,827	2,444	152,754
Fresh and dried meat	1,666	77,500	2,194	97,037	2,507	101,451
Sulphur	11,528	76,857	11,560	67,432	8,540	49,814
Chinaware	1,167	68,105	1,262	84,137	1,133	188,753
Glass beads	603	50,254	680	56,684	995	82,920
Arms mounted or unmounted ...	421	49,166	2,686	313,433	856	99,935
Jute	2,850	47,758	3,796	63,274	37,021	61,702
Ultramarine	272	17,244	244	24,417	284	189,266

RETURN of Principal Articles of Export from Trieste during the Years 1891–90–89.

Detailed value of exports.

Articles.	1891.		1890.		1889.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£
Textile goods	18,035	4,012,664	18,633	4.085,939	16,387	3,363,161
Coffee	39,096	3,257,958	38,447	3,692,823	37,821	3,530,011
Cotton	55,618	2,132,012	64,533	2,850,213	65,268	2,912,672
Fruit	79,448	1,169,596	91,076	1,666,815	86,253	1,568,774
Wood and timber	...	1,156,929	...	1,113,621	...	1,189,226
Sugar	70,263	1,049,627	89,378	1,336,881	64,945	1,072,697
Tobacco	5,100	816,312	5,363	615,661	3,889	525,514
Raw hides	11,295	764,926	9,816	788,836	10,702	866,913
Wine	40,492	751,081	39,329	737,017	32,369	661,473
Olive oil	15,307	510,230	15,733	589,969	16,863	674,525
Wearing apparel	759	505,913	159	106,466	130	92,147
Flour	45,868	496,905	50,715	507,150	58,083	580,831
Hats, felt and silk	250	489,654	82	102,537	139	231,700
Paper	20,994	452,585	20,504	536,074	17,702	526,829
Valonea	24,729	370,934	18,812	282,188	25,727	385,904
Spirits	11,942	328,908	10,352	303,962	9,366	259,589
Indigo	694	303,558	930	619,605	878	603,673
Iron and iron goods	17,710	296,735	16,783	360,467	14,628	307,680
Hardware	2,802	292,931	3,820	357,127	2,656	279,106
Drugs	5,463	242,632	6,659	354,327	5,718	374,292
Mineral and lubricating oil ...	46,970	235,335	42,757	285,275	30,852	231,760
Non-precious metals	3,612	211,638	2,948	177,883	2,914	169,430
Gums	2,160	200,277	1,637	333,451	1,316	338,512
Sponges	273	193,091	284	355,125	276	420,534
Wooden goods	5,419	188,261	5,241	173,469	...	186,294
Gold and gold bullion (lbs.) ...	26	162,396	22	134,750	...	...
Beer (tons)	12,499	156,239	12,005	140,054	11,613	116,122
Tea	694	156,192	591	162,552	544	149,613
Glassware	5,014	149,041	5,453	182,854	5,511	231,113
Leather	1,046	142,000	637	89,910	976	183,530
Rice	11,150	139,382	12,082	151,029	12,599	157,487
Cotton-seed oil	4,291	129,044	4,211	131,144	3,273	130,941
Wool	1,403	111,091	1,487	109,035	1,824	133,767
Dried vegetables	13,594	104,974	8,819	67,678	9,447	79.918
Grain, wheat, &c.	14,639	101,357	27,360	166.505	23,007	147,939
Cream of tartar	1,983	101,356	1,873	105,874	2,298	115,558
Matches	4,903	98,056	5,747	114,951	5,463	182,097
Fish	3,042	92,784	2,663	83,010	2,814	79,349
Mother-of-pearl	996	91,331	1,077	98,722	1,532	140,389
Silver bullion	17	90,850	106	539,508	...	...
Insect powder	774	90,214	985	111,581	...	...
Seeds	7,853	80,938	5,903	62,021	5,281	52,827
Machinery	1,200	76,441	817	55,394	1,032	76,097
Sulphur	11,254	75,031	11,204	65,356	8,780	51,216
Musical instruments	374	69,709	228	43,652	260	52,355
Paraffin	1,869	69,597	2,329	92,205	1,999	124,924
Leather goods	231	69,399	67	19,521	124	30,915
Arms mounted and unmounted	593	69,164	1,009	117,699	684	79,789
Spun silk	45	67,260	24	36,555	43	64,410
Palm oil	2,273	60,604	2,185	61,910	2,423	68,664
Hemp	1,958	55,461	1,876	56,286	2,298	112,146

Reviewing the above figures, and referring to some former returns of the Trieste Chamber of Commerce, we come to the conclusion that the commerce of Trieste, which till 1889 showed a progressive rise, seems to have attained its apogee in that year, for since then we note a diminution which, in the united imports by land and by sea, amounts in 1891 to 4,250,000*l.*, and in the united exports to 2,000,000*l.*, making together 6,250,000*l.* since 1890.

Motion brought in local parliament requesting re-introduction of free port.

On September 19 of this year a motion was brought into the local parliament, which consists of the mayor of the town as president, and of the town councillors as members, to memorialise the Government respecting the re-introduction of the freedom of the

ports of Trieste and Fiume. The question was mooted in the Vienna Government papers; that all tried to prove that everything had been done for the good of Trieste; that the incidental expenses are less at Trieste than in any other city; that if some slight inconveniences had occurred in the execution of the custom-house law of 1891, that they would be remedied, but that it was not worth while to make so much ado about trifles.

In the meantime trade is decreasing; industry not only makes no progress, but even diminishes, and if things continue at this rate Trieste will lose what trade it still has.

General imports and exports compared with the share from British ports.

The two following tables of imports and exports are intended to illustrate the trade of Trieste in general, compared with the share falling to the British Empire, distinguishing between the United Kingdom, India, and other colonies, the latter being principally Malta, Cyprus, Aden, Hong-Kong, and Jamaica, the latter in the import of dye-wood only.

PRINCIPAL Imports by Sea in 1891 compared with 1890–89.

Articles.		From British Ports.							From all Ports.			
		United Kingdom.	East Indies.	Other Colonies.	Total.	Value.	Increase or Decrease since— 1890.	Increase or Decrease since— 1889.	Total.	Value.	Increase or Decrease since— 1890.	Increase or Decrease since— 1889.
						£				£		
Carbolic acid	Tons	7	...	...	7	279	...	...	7	283	+ 4	...
Spirits	,,	...	...	...	...	...	...	...	133	3,315	− 76	− 106
Alum	,,	37	...	...	37	249	− 5	− 27	37	249	− 5	− 27
Aloes	,,	7	...	..	7	231	− 1	+ 5	8	259	− ½	+ 5
Starch	,,	35	...	...	35	650	+ 14	+ 3	65	1,190	− 133	− 45
Asphalt	,,	1	...	...	1	7	+ 1	...	59	397	− 412	− 817
White lead	,,	10	...	...	10	272	+ 5	− 5	53	1,510	− 34	− 24
Bronze	,,	39	...	...	39	1,955	+ 26	− 34	110	5,495	+ 94	+ 104
Gut	,,	...	1	1	2	177	+ 2	− 2	354	36,895	+ 72	+ 103
Hydraulic lime	,,	1	...	...	1	1	+ 1	− 302	15,153	1,262	+ 11,275	− 9,300
Hemp	,,	25	...	...	25	699	+ 15	− 12	2,839	71,452	+ 407	− 122
Candles	,,	16	...	...	16	742	+ 3	+ 2	148	6,673	+ 37	+ 15
Rattan cane	,,	...	41	2	43	1,585	− 14	+ 19	53	1,862	− 13	+ 21
Gutta-percha	,,	...	11	...	11	3,666	+ 3	+ 8	18	6,100	− 3	+ 10
Coal	,,	75,320	...	...	75,320	62,767	− 5,315	+ 8,202	94,774	78,978	+ 4,554	+ 17,446
Paper	,,	2	...	1	3	58	− 9	− 3	1,065	26,626	+ 39	+ 88
Catechu	,,	17	127	...	144	4,421	+ 134	− 19	144	4,421	+ 134	− 24
Tar	,,	1	...	...	1	3	+ 1	+ 1	328	822	+ 314	+ 325
Cement	,,	9	...	...	9	15	− 2	+ 9	2,221	3,702	+ 61	+ 1,287
Wax	,,	20	...	...	20	2,238	− 10	− 16	157	17,741	− 31	− 84
Hardware	,,	2	27	10	39	3,250	+ 1	− 23	407	33,975	+ 46	+ 54
Chlorate of lime	,,	81	...	...	81	746	− 191	− 31	81	746	− 191	− 43
Cochineal	,,	...	3	...	3	361	− 5	+ 3	14	1,675	− 1	+ 4
Resin	,,	5	...	...	5	23	+ 5	− 3	6,082	30,409	− 5,235	− 1,769
Cocoa	,,	78	...	...	78	6,296	+ 5	− 28	368	29,488	+ 37	− 8
Coffee	,,	1,448	1,243	249	2,940	245,033	+ 688	− 1,201	34,533	2,877,800	− 4,320	− 5,434
Tea	,,	131	3	4	138	31,162	+ 10	+ 413	731	164,610	+ 131	+ 135
Prepared colours	,,	6	...	...	6	525	− 27	− 11	14	1,158	− 44	− 39
Glass beads	,,	...	...	...	...	...	...	...	395	32,900	− 151	− 459
Cotton	,,	140	40,831	38	41,010	1,572,066	− 8,634	− 4,412	56,373	2,160,988	− 10,445	− 9,290
Cotton goods	,,	74	...	1	75	12,862	+ 35	+ 65	108	22,541	+ 31	+ 70
Cinnamon and quassia lignea	,,	...	64	751	815	23,103	− 285	+ 1,737	833	23,601	− 419	+ 153
Cloves	,,	41	40	...	81	3,112	+ 11	− 91	204	7,820	+ 78	− 38

Principal Imports by Sea in 1891 compared with 1890-89—continued.

Articles.		From British Ports.							From all Ports.			
		United Kingdom.	East Indies.	Other Colonies.	Total	Value.	Increase or Decrease since—		Total.	Value.	Increase or Decrease since—	
							1890.	1889.			1890.	1889.
						£				£		
Pepper	Tons	97	1,516	...	1,613	57,788	+ 438	− 225	2,045	73,293	− 547	+ 24
Allspice	,,	253	...	113	366	9,142	+ 148	+ 69	606	15,145	+ 220	+ 135
Divers drugs	,,	13	3	5	21	1,386	+ 8	− 53	55	3,686	− 18	+ 4
Cast-iron	,,	655	...	...	655	2,731	− 39	− 167	762	3,173	+ 54	+ 187
Wrought-iron	,,	1,477	...	...	1,477	16,804	− 648	− 527	2,101	26,260	− 1,526	− 938
Steel	,,	2,312	...	...	2,312	28,896	− 484	+ 1,483	2,344	29,307	+ 511	+ 1,502
Sheet-iron	,,	84	...	...	84	1,052	− 122	− 178	86	1,077	− 121	− 178
Tinned plates	,,	398	...	...	398	7,966	+ 38	− 52	460	8,002	+ 36	− 61
Anchors	,,	85	...	...	85	1,462	+ 2	+ 32	90	1,569	+ 104	+ 35
Chains	,,	222	...	...	222	4,249	+ 88	+ 62	250	5,055	+ 36	+ 81
Wire ropes	,,	66	...	...	66	2,213	+ 20	+ 48	66	2,216	+ 19	+ 47
Cast-iron goods	,,	178	...	...	178	1,785	+ 25	− 75	259	2,593	+ 71	− 36
Iron goods	,,	304	...	...	304	10,150	+ 248	+ 158	450	15,023	+ 247	+ 42
Yarns	,,	78	...	1	79	9,800	− 14	− 41	122	15,250	− 3	+ 47
Oranges	,,	...	...	12	12	104	+ 11	+ 6	28,993	24,160	− 8,855	− 4,566
Carob beans	,,	...	...	95	95	473	+ 94	+ 95	3,614	18,073	− 866	+ 932
Dates	,,	203	...	3	206	4,257	+ 170	+ 170	397	9,922	− 42	+ 138
Dried figs	,,	69	...	...	69	928	+ 69	+ 69	15,293	203,908	− 3,100	− 865
Almonds	,,	...	...	2	2	119	+ 2	+ 2	3,492	244,461	− 1,157	+ 1,409
Currants	,,	...	...	181	181	3,020	+ 181	+ 181	17,003	283,503	+ 1,669	+ 1,719
Dried fruit	,,	...	...	...	...	...	...	...	477	5,960	− 425	− 389
Gums	,,	249	220	257	726	75,645	+ 233	+ 270	1,956	203,791	+ 472	+ 550
Indigo	,,	24	199	...	223	97,080	− 307	+ 182	709	310,450	− 366	− 335
Jute	,,	5	2,773	...	2,778	46,298	− 927	+ 907	2,778	46,298	− 977	− 910
Wool	,,	...	5	15	20	1,615	+ 6	+ 17	1,462	115,750	− 180	− 422
Woollen goods	,,	11	...	...	11	3,666	− 2	+ 5	331	110,500	+ 24	+ 63
Wood and timber	,,	...	...	...	...	...	...	...	...	...	...	...
Dye-wood	,,	222	4	1,047	1,273	10,610	+ 5	− 664	1,865	15,540	− 999	− 2,170
Machinery	,,	556	...	...	556	30,138	+ 194	+ 44	596	32,266	− 38	+ 44
Mother-of-pearl	,,	5	31	240	276	25,327	+ 17	− 16	884	31,005	− 126	− 600
Bricks and tiles	,,	1,104	...	...	1,104	920	+ 400	+ 817	26,258	21,882	+ 1,862	+ 11,223
Red lead	,,	93	...	...	93	1,782	+ 18	+ 51	100	1,918	+ 24	+ 58
Palm oil	,,	192	1,830	...	2,022	53,941	− 182	− 431	2,338	54,013	− 285	+ 248

PRINCIPAL Imports by Sea in 1891 compared with 1890–89—continued.

Articles.		From British Ports.							From all Ports.			
		United Kingdom.	East Indies.	Other Colonies.	Total.	Value.	Increase or Decrease since—		Total.	Value.	Increase or Decrease since—	
							1890.	1889.			1890.	1889.
						£				£		
Fish oil	Tons	174	...	...	174	2,911	− 2	+ 133	820	13,671	+ 64	+ 155
Sesame oil	,,	12	...	...	12	465	− 2	+ 6	2,622	96,502	+ 318	− 445
Fatty oils	,,	46	...	...	46	1,543	+ 45	− 18	46	1,543	+ 45	− 28
Lubricating oil	,,	41	...	...	41	309	+ 9	+ 15	1,477	11,081	− 418	− 362
Mineral oil	,,	10	...	...	10	49	− 12	− 238	48,875	244,378	+ 6,799	+ 15,570
Straw	,,	15	160	...	175	439	− 86	− 24	228	571	− 67	− 25
Kid, goat and sheep skins	,,	1	...	40	41	2,932	+ 41	+ 41	4,388	319,192	+ 491	+ 489
Hides	,,	126	1,756	215	2,097	139,340	+ 1,604	− 325	5,364	357,593	+ 1,615	+ 741
Leather	,,	278	2	2	282	29,391	− 9	− 147	438	45,270	+ 60	− 99
Herrings	,,	209	...	...	209	2,095	+ 72	− 158	212	2,122	+ 3	− 158
Insect powder	,,	...	...	...	...	...	...	...	971	113,093	− 365	...
Copper	,,	454	...	21	475	22,562	+ 217	+ 76	606	28,779	+ 255	+ 54
Rum	,,	8	...	4	12	495	− 8	− 1	67	2,819	− 105	− 174
Sago	,,	4	976	...	980	32,673	+ 824	+ 156	982	32,753	+ 822	+ 58
Sal ammonia	,,	32	...	...	32	1,266	+ 5	+ 7	33	1,281	+ 5	+ 8
Saltpetre	,,	76	7	...	83	1,320	+ 26	+ 34	93	1,474	+ 29	+ 8
Linseed	,,	...	3,273	...	3,273	32,734	+ 2,761	+ 3,223	3,703	37,031	+ 2,797	+ 3,415
Divers seeds	,,	3	4,485	...	4,488	44,880	− 16	+ 37	4,727	47,274	− 74	+ 12
Soda	,,	802	...	...	802	4,017	+ 23	− 107	906	4,532	+ 103	− 44
Sponges	,,	...	...	...	...	...	− 1	− 2	285	202,087	− 22	+ 13
Sacks and sacking	,,	190	302	...	492	20,521	− 298	− 124	1,056	44,017	− 680	− 637
Crockery	,,	35	...	...	35	354	+ 16	− 2	321	3,209	+ 21	− 83
Textiles	,,	949	...	...	949	137,450	− 148	+ 106	1,097	274,375	− 124	+ 119
Valonea	,,	...	2,416	...	2,416	36,252	− 1,816	− 158	25,834	382,516	+ 8,505	+ 1,332
Varnish	,,	63	...	...	63	3,943	− 4	− 23	77	5,068	− 4	+ 15
Glassware	,,	314	2	...	316	9,240	+ 18	− 6	677	19,737	− 62	− 157
Wine	,,	4	...	201	205	2,101	+ 198	+ 200	40,880	749,474	+ 832	+ 5,475
Oil of vitriol	,,	152	...	...	152	1,780	− 86	+ 105	158	1,790	− 92	+ 81
Sugar (raw)	,,	...	...	...	...	...	...	...	2,371	31,611	+ 1,676	...
Refined sugar	,,	35	...	...	35	529	− 16	− 31	53	799	− 222	− 116
Matches	,,	...	...	...	...	...	...	...	474	9,488	+ 2	+ 159

N.B.—It must be observed that it is only since 1891 that the imports from Cyprus have been inserted separately; before then they were registered as Turkish produce.

Principal Exports by Sea in 1891 compared with 1890–89.

Articles.		To British Ports.							To all Ports.			
		United Kingdom.	East Indies.	Other Colonies.	Total.	Value.	Increase or Decrease since— 1890.	Increase or Decrease since— 1889.	Total.	Value.	Increase or Decrease since— 1890.	Increase or Decrease since— 1889.
						£				£		
Mineral water	Tons	20	4	4	28	373	+ 8	− 7	989	12,352	− 519	− 521
Spirits	,,	34	23	180	237	5,925	+ 78	− 42	9,788	244,712	+ 2,468	+ 2,097
Arms, mounted and unmounted	,,	61	31	1	93	10,850	+ 92	+ 93	546	63,746	− 433	− 127
Beer	,,	22	265	79	366	4,577	− 79	− 309	11,009	137,618	− 583	− 246
Hemp	,,	272	6	...	278	8,163	− 242	− 38	499	14,143	− 250	− 65
Indiarubber and rubber goods	,,	...	1	1	2	566	− 4	− 2	57	20,364	+ 42	+ 47
Felt hats	,,	...	50	3	53	58,283	+ 52	+ 40	444	481,650	+ 368	+ 307
Paper	,,	755	4,537	246	5,538	115,377	+ 153	+ 486	18,212	377,662	− 556	+ 1,637
Playing cards	,,	...	73	3	76	12,733	− 6	+ 12	188	31,433	− 34	− 13
Cement	,,	...	22	...	22	37	− 78	− 201	567	945	− 338	− 204
Hardware	,,	2	388	72	362	30,177	− 51	− 59	2,575	214,633	− 1,112	+ 71
Dried vegetables	,,	...	...	...	...	...	...	...	476	3,176	+ 63	+ 86
Resin	,,	...	...	2	2	9	− 8	+ 2	289	1,447	− 52	+ 6
Coffee	,,	37	...	29	66	5,500	+ 34	− 29	7,355	612,941	− 494	+ 123
Paints and colours	,,	2	140	5	147	12,308	+ 83	+ 93	392	32,658	+ 192	+ 88
Glass beads	,,	...	90	9	99	8,300	+ 20	+ 173	245	20,416	+ 88	− 127
Carroway seeds	,,	10	...	...	10	225	− 19	− 66	43	908	+ 110	− 195
Cotton	,,	...	...	...	...	...	− 18	− 12	5,257	201,537	− 3,682	− 1,894
,, goods	,,	...	456	26	482	100,388	+ 186	+ 225	2,976	619,958	+ 1,762	− 1,292
Cream of tartar	,,	1	...	...	1	11	− 94	− 7	848	91,910	+ 33	+ 211
Bran	,,	84	9	...	93	388	+ 93	− 17	3,952	16,467	− 459	− 711
Pepper	,,	...	...	2	2	61	...	+ 1	534	19,150	− 222	− 103
Divers drugs	,,	71	9	13	93	6,246	+ 45	+ 61	1,428	95,200	+ 1,270	+ 504
Tanning extracts	,,	77	...	....	77	1,095	− 21	− 175	342	4,850	− 88	− 264
Flour	,,	9,565	278	241	10,084	109,246	− 406	− 3,548	43,852	475,063	− 5,510	− 13,195
Yarns	,,	...	401	29	430	53,777	+ 100	+ 70	2,124	265,500	+ 1,011	+ 848
Cheese	,,	...	...	...	...	...	...	− 1	232	14,660	+ 35	− 4
Oranges	,,	...	...	...	...	...	− 13	...	1,201	1,000	− 51	+ 133
Carob beans	,,	150	...	...	150	751	− 164	− 141	373	1,867	− 232	− 17
Dried figs	,,	13	...	...	13	177	− 23	− 40	170	2,265	− 55	− 176
Nuts	,,	73	...	4	76	1,662	+ 58	+ 2	541	92,887	+ 145	+ 221
Currants	,,	240	...	5	245	4,091	− 73	+ 143	1,422	23,701	+ 95	− 517
Fresh fruit	,,	...	14	22	36	183	− 9	− 30	445	222	+ 53	− 243

Principal Exports by Sea in 1891 compared with 1890–89—continued.

Articles.		To British Ports.							To all Ports.			
		United Kingdom.	East Indies.	Other Colonies.	Total.	Value.	Increase or Decrease since—		Total.	Value.	Increase or Decrease since—	
							1890.	1889.			1890.	1889.
						£				£		
Dried fruit	Tons	184	7	8	199	2,488	— 112	— 383	518	4,530	— 682	— 11,589
French plums	,,	130	..	...	130	1,732	— 207	...	2,188	29,182	— 7,830	...
Gums	,,	159	...	1	160	16,677	— 35	+ 17	709	73,896	+ 45	+ 227
Oats	,,	116	...	...	116	581	+ 116	+ 116	1,530	765	— 983	— 1,129
Wheat	,,	6	2	...	8	71	+ 8	— 911	3,066	2,555	— 577	— 5,013
Millet	,,	161	...	...	161	805	+ 127	— 160	258	1,290	+ 167	+ 177
Indian corn	,,	...	...	...	...	...	...	...	3,892	22,540	— 4,052	— 1,456
Barley	,,	...	...	...	...	...	..	— 12	784	4,577	— 40	+ 186
Rye	,,	...	...	...	...	...	...	...	13	54	— 146	— 561
Incense	,,	84	...	...	84	3,094	+ 77	+ 78	286	10,512	+ 166	+ 162
Indigo	,,	5	...	...	5	2,450	— 2	— 2	22	9,888	...	— 1
Jute	,,	...	...	...	...	...	...	— 10	2,287	33,126	+ 1,318	+ 1,497
Wool	,,	77	...	...	77	6,143	+ 58	+ 20	993	78,596	+ 44	— 152
Woollen goods	,,	...	111	13	124	41,500	+ 117	+ 113	1,776	341,900	— 1,483	+ 1,062
Leather goods	,,	...	18	6	24	7,470	+ 21	+ 18	221	66,250	+ 168	+ 108
Timber and lumber	,,	...	...	...	...	...	+ (12,702*l.*)	+ (2,622*l.*)	...	1,122,888	+ (56,534*l.*)	— (96,654*l.*)
Wooden goods	,,	1	305	82	388	4,850	— 22	— 53	2,950	36,881	— 256	+ 39
Orange cases	Pieces	...	...	...	...	...	...	...	172,610	2,876	— 11,995	— 10,938
Empty casks	,,	...	...	...	...	...	...	...	91,187	37,994	— 868	— 1,519
Parquet flooring	Tons	148	...	...	148	6,177	— 231	— 373	282	11,779	— 485	— 740
Furniture	,,	9	3	27	39	1,977	— 2	— 11	1,679	83,985	+ 912	+ 657
Dye wood	,,	127	...	14	141	1,173	+ 83	+ 76	640	5,408	— 31	— 136
Beans	,,	1,381	...	80	1,461	16,959	+ 1,086	+ 1,120	12,588	94,416	+ 4,380	+ 2,346
Peas	,,	18	...	10	28	298	+ 20	— 27	726	7,864	+ 243	+ 168
Liqueurs	,,	45	6	6	57	2,850	— 8	— 7	557	27,860	+ 377	+ 407
Machinery	,,	...	...	33	33	1,804	+ 16	+ 27	554	30,024	+ 213	+ 80
Divers metal goods	,,	...	780	39	819	58,716	— 118	+ 98	1,323	94,815	+ 172	+ 230
Mineral oil	,,	...	...	...	...	...	— 1	— 2	2,083	10,418	— 2,195	— 1,355
Straw	,,	...	...	...	...	...	...	— 3	210	528	— 690	— 81
Bread and biscuit	,,	...	...	...	...	...	— 2	...	327	4,088	+ 34	+ 50
Potatoes	,,	113	11	104	228	571	+ 95	— 126	3,350	8,376	— 315	— 140
Paraffin	,,	...	139	58	197	7,395	— 17	+ 65	1,752	65,707	— 466	— 105
Kids and sheep skins	,,	2	...	...	2	135	— 3	... ...	402	28,524	+ 237	+ 271

Principal Exports by Sea in 1891 compared with 1890–89—continued.

Articles.		To British Ports.							To all Ports			
		United Kingdom.	East Indies.	Other Colonies.	Total.	Value.	Increase or Decrease since—		Total.	Value.	Increase or Decrease since—	
							1890.	1889.			1890.	1889.
						£				£		
Ox hides	Tons	95	...	...	95	6,346	− 117	+ 54	1,365	89,666	− 298	+ 328
Divers hides	,,	68	...	...	68	4,573	− 61	+ 32	1,440	96,013	− 120	+ 394
Leather	,,	4	...	1	5	734	+ 4	+ 5	87	12,255	+ 10	− 34
Salted anchovies	,,	...	...	5	5	126	+ 5	+ 3	301	6,770	+ 113	+ 37
Insect powder	,,	168	...	4	172	20,148	− 63	...	430	50,236	− 171	...
Copper	,,	...	...	7	7	323	+ 7	+ 7	64	3,040	+ 7	+ 9
Rum	,,	...	...	39	40	1,666	+ 11	+ 8	1,723	71,783	− 909	+ 299
Sumach	,,	296	...	...	296	1,570	+ 204	+ 56	1,294	7,530	+ 366	+ 127
Rags	,,	22	...	...	22	184	− 73	− 152	340	2,837	− 51	− 384
Earthenware	,,	...	5	17	22	225	+ 13	− 4	724	7,243	− 115	− 19
Colouring earths	,,	170	...	1	171	390	+ 27	+ 30	431	1,436	+ 65	+ 23
Ores	,,	544	55	...	599	998	+ 259	+ 166	802	1,371	− 41	+ 2
Divers textiles	,,	1	311	64	376	94,176	− 347	− 196	8,345	2,086,325	− 5,643	− 2,975
Valonea	,,	2	...	...	2	37	− 113	− 40	4,515	67,726	+ 118	+ 1,325
Glassware	,,	5	487	215	707	20,629	+ 103	+ 192	4,606	217,686	− 509	− 555
Wine	,,	139	209	48	396	7,352	+ 115	− 86	18,333	336,119	+ 1,111	+ 7,348
Zinc	,,	22	...	...	22	567	− 63	− 57	160	4,015	− 2	− 71
Matches	,,	...	8	1,086	1,094	21,884	− 1,010	− 253	4,862	97,236	− 845	− 582
Sugar, raw	,,	...	...	...	...	...	...	...	2,371	31,620	+ 251	− 1,517
,, refined	,,	...	1,316	2,981	4,297	66,124	− 1,138	− 3,017	67,172	1,007,246	− 19,285	+ 6,557
Tanned hides	,,	1	...	1	2	198	− 2	+ 1	324	33,333	+ 113	+ 28

Since my last report Lloyd's Steam Navigation Company has ceased to be an Austro-Hungarian undertaking and become purely Austrian; *i.e.*, it is subventioned by the Austrian Government only, who names the director (the present one was, till his nomination, senior clerk in the Ministry of Commerce at Vienna).

Lloyd's Steam Navigation Company has become only Austrian.

The company is now more than ever under the control of the Government.

Several measures have been decided on from which an amelioration on the company's affairs is expected.

On the whole, the transition state in which Trieste now is does not allow of much being said of her future, and so many divergent and contrary interests are in play that it would be very difficult to say what the future may bring.

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NETHERLANDS.

REPORT FOR THE YEAR 1892-93

ON THE

FINANCES OF THE NETHERLANDS.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 979.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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No. 1149.

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NETHERLANDS.

THE HAGUE.

Sir H. Rumbold to the Earl of Rosebery.

My Lord, *The Hague, January* 5, 1893.

I HAVE the honour to transmit herewith to your Lordship the Annual Report on the Finances of the Netherlands, drawn up by Sir G. Bonham, and beg leave to call attention to the very complete analysis it contains of the Tax on Income and Property recently introduced here.

I have, &c.

(Signed) HORACE RUMBOLD.

Report on the Finances of the Netherlands for the Year 1892–93.

ABSTRACT of Contents.

	Page
Introductory remarks	1
Financial statement	2
Result of years 1889–91	3
Extraordinary expenditure 1882–91	4
How far covered by extraordinary receipts	4
1892—Small surplus expected	5
1893—Proposed arrangement for reducing deficit	7
No special measures necessary	8
Estimates as finally passed by Second Chamber	9
Proposed income-tax	10
First part, summary of tax on property as passed	11
Second part, outline of proposed tax on incomes	16
Tables	17

Introductory remarks.

The following report falls naturally into three divisions. The first is taken from the Finance Minister's statement on introducing the budget for 1893 to the States-General, which is probably the best, if not the only, means by which an insight into the actual state of the finances can be obtained. A considerable part

is retrospective, showing how far the estimates of previous years have been borne out by the actual results.

With regard to 1893 the feature in the budget which excited most interest and which gave rise to most discussion in the Chambers has been the increase in the budget of the Ministry of Marine. Various alterations have been made in the original estimates during their passage through the Second Chamber. They are not, however, of great importance, and a table is given of the revised estimates in the form in which they have been presented to the First Chamber.

The second part of the report to which most interest will probably be attached consists of a summary of two legislative enactments, introducing what is practically an income tax, though they are respectively called a tax on property and a tax on trades and professions. The former has now been passed, and it is hoped that the second will be passed in time to come into operation on May 1, at the same time as the law for the taxation of property of which it practically forms a part.

The scope and object of these proposals which practically introduce a new system into the financial practice of this country is to provide for the abolition of taxes which are considered open to objection, and to place the general taxation of the country on a sounder basis by taxing incomes from property on a different scale from those derived from labour.

How far these measures will be found to come up to the ideal standard contained in Adam Smith's four canons of taxation will perhaps only be ascertained by the test of practical experience, but they have evidently been framed with the object of satisfying the complex requirements of modern life, and it should be remembered that the canon respecting equality of taxation has been pronounced by later writers to be absolutely unattainable.

The third part of the report contains a series of tables containing the estimates for 1893, the revenue and expenditure during the eleven years 1881 to 1891, concluding with a translation of the chapter in the budget which deals with the National Debt.

Financial statement.

Before entering on the estimates for 1893, the Minister of Finance, in accordance with the usual practice, commences his annual statement with a retrospective view of the financial results of the last few years.

Small surplus 1889.

Commencing with 1889, the accounts for which financial year have only now been finally passed by the Common Chamber of Accounts, he shows that there is a surplus of 481,000 fl. (40,083*l.*).

Deficit 1890.

The accounts for 1890 are now also completed with more favourable results than had been expected, which is accounted for by arrangements which have been made with regard to the railways. The actual expenditure and receipts are shown in the following table:—

	Amount.	
	Currency.	Sterling.
	Florins.	£
Expenditure	165,937,911	13,828,159
Receipts	144,461,056	12,038,421
Deficit	21,476,855	1,789,738

Two additional sources of income, moreover—namely, the sum paid for the Entrepôt Dock at Amsterdam, and the payments from Zaandam and Westzaan in lieu of canal dues—amounted to 19,867,683 fl. (1,655,640*l.*). By the deduction of this sum the deficit is reduced to 1,609,172 fl. (134,098*l.*), which is less than the originally estimated deficit by 872,118 fl. (72,676*l.*), the receipts having increased to the extent of 123,616 fl. (10,301*l.*), and expenditure diminished to the amount of 748,502 fl. (62,375*l.*). Now reduced.

The financial results of the year 1891 are also better than was expected. Estimated deficit 1891.

The deficit, as originally estimated, is shown by the following table to have been 3,400,000 fl. (283,333*l.*) :—

	Amount.	
	Currency.	Sterling.
	Florins.	£
Expenditure	130,400,000	10,866,666
Receipts	127,000,000	10,583,333
Deficit	3,400,000	283,333

According to what is now known the expenditure and receipts are as follows:— Considerably higher than actual deficit.

	Amount.	
	Currency.	Sterling.
	Florins.	£
Expenditure	130,954,433	10,912,869
Receipts	130,128,639	10,844,053
Deficit	825,794	68,816

The deficit is, therefore, fully 2,500,000 fl. (208,333*l.*) less than had been estimated. Attention is especially directed to the considerable increase in receipts from licenses, import duties, and

succession dues. The so-called ordinary receipts have never in fact yielded as much as in 1891, the succession dues having been more especially productive. The year 1892, however, from what was known at the time of the financial statement in September last, is expected to prove a very satisfactory one in this respect.

Extra-ordinary expenditure 1882–91.

Before leaving the strictly retrospective part of his financial statement the Minister makes a digression in order to show the financial progress made during the last ten years (1882–91), a period during which great undertakings have been carried out, and loans raised in order to cover the deficits resulting therefrom, and to show the relation in which the expenditure and the loans stand to each other.

The expenditure during the ten years includes the four following items:—

Item.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
1	Railways, including the purchase by the State of the Dutch-Rhenish Railway ..	98,142,135	8,178,511
2	The Merwede Canal	19,930,689	1,660,891
3	The Rotterdam Channel	16,339,336	1,361,611
4	The works at the mouth of the Maas ..	12,081,001	1,006,750
	Total	146,493,161	12,207,763

Ordinary expenditure covered by ordinary receipts.

The ordinary receipts during this period were found sufficient to meet the ordinary expenditure. The extraordinary receipts, including receipts from the sale of domains, as shown in the following table, amounted to 92,710,805 fl. (7,725,900*l.*):—

Description.	Amount.	
	Currency.	Sterling.
	Florins.	£
A balance over from 1880	2,460,445	205,037
An increase of capital in banknotes	5,000,000	416,666
The sale of the entrepôt docks	2,518,229	209,853
Payments made by Westzaan and Zaandam in lieu of canal and harbour dues	100,612	8,384
Payments from railway companies	17,104,409	1,425,368
Loans	62,808,607	5,234,050
Sale of domains	2,718,500	226,542
Total of Extraordinary Receipts ..	92,710,805	7,725,900

This sum is further increased by a sum made up of a balance in hand at the beginning of the period under review, together with an increase of the floating debt, as follows:—

	Currency.	Sterling.
	Florins.	£
Balance in hand and increase of floating debt	31,375,831	2,614,652
Extraordinary receipts	92,710,805	7,725,900
Total	124,086,636	10,340,552

The expenditure on the four great works mentioned above amounted, as has been shown, to 146,493,161 fl. (12,207,763*l.*), so that till the end of 1891 the receipts from all sources cover the expenditure, including 84 per cent. of the four great items of extraordinary expenditure. Extraordinary expenditure partially covered.

During these 10 years moreover a sum of 21,954,459 fl. (1,829,538*l.*) included in the ordinary expenditure has been devoted to the redemption of the National Debt.

The examination of the accounts for the year 1892 give the following results. The original estimate of expenditure amounted to 130,813,390 fl. (10,901,115*l.*). This was increased in the course of the year to 132,360,262 fl. (11,030,021*l.*). Original estimates for 1892 modified.

The actual expenditure should fall short of this sum, as in fact is always the case in Dutch finances, although the extent to which it does so varies considerably. In 1882 for instance, the actual expenditure was less than the estimates by 3,562,000 fl. (296,833*l.*). In 1885 it amounted to 8,456,000 fl. (704,666*l.*) without taking into account the amount paid for demonetisation. In 1891, so far as is at present known, this margin will not exceed 2,744,000 fl. (228,666*l.*). The average margin for the 10 years 1881–90 is comparatively high, 5,830,000 fl. (485,833*l.*). Not to take too optimist a view the margin for 1892 is estimated at 2,500,000 fl. (208,333*l.*) below this average, there will, therefore, be a sum of 3,300,000 fl. (275,000*l.*) to be deducted from the estimates, so that according to this method of reckoning the actual expenditure ought not to exceed 129,000,000 fl. (10,750,000*l.*). Allowance made for over-estimating expenditure and under-estimating revenue.

The revenue, which in accordance with the usual practice has been under estimated, will amount, it is expected, to 129,219,297 fl. (10,768,274*l.*) instead of 127,600,150 fl. (10,633,345*l.*), the sum at which it was originally estimated. The result should therefore be, if these calculations turn out to be correct, a surplus of 200,000 fl. (16,666*l.*):— Small surplus expected.

	Amount.	
	Currency.	Sterling.
	Florins.	£
Receipts	129,200,000	10,766,666
Expenditure	129,000,000	10,750,000
Surplus	200,000	16,666

To sum up the result of the last four years, leaving out of account the extraordinary financial operations of 1890–1892, it appears that :—

Year.		Amount.	
		Currency.	Sterling.
		Florins.	£
1889	Surplus	481,313	40,109
1890	Deficit	1,609,171	134,097
1891	„	825,794	78,816
1892	Surplus	200,000	16,666
Total net deficit		1,753,652	146,138

Revenue 1893.

With regard to 1893 the revenue is estimated as follows :—

Description.	Amount.	
	Currency.	Sterling.
	Florins.	£
Ordinary	116,298,130	9,691,510
Extraordinary	11,628,360	969,030
Total	127,926,490	10,660,540

This sum is 326,340 fl. (27,195*l.*) higher than that for 1892. The increase in the ordinary receipts, which include 300,000 fl. (25,000*l.*) from the post office, being estimated at 508,680 fl. (42,390*l.*), and that in the extraordinary receipts 217,660 fl. (18,138*l.*), making together 726,340 fl. (60,528*l.*), whereas a deduction has to be made in consequence of lower estimated receipts from the State railways of 400,000 fl. (33,333*l.*), so that the net increase in revenues is 326,340 fl. (27,195*l.*).

Expenditure.

The expenditure for 1893 is estimated at a considerably higher figure than that for 1892. In that year, inclusive of supplementary grants and the 22,077,252 fl. (1,839,771*l.*) destined for the purchase of the Netherlands-Rhine Railway shares, the estimate was 131,276,492 fl. (10,939,707*l.*). The estimate for 1893 is 136,240,027 fl. (11,353,335*l.*), showing an increase of 4,963,535 fl. (413,627*l.*).

The increases are under the following heads of the budget :—

Chapter.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
III	Ministry for Foreign Affairs on account of foreign missions and consulates	18,062	1,505
IV	Ministry of Justice, on account of increased expenditure on buildings ..	215,395	20,449
V	Ministry of the Interior, mainly on account of education and pensions	77,369	6,447
VI	Ministry of Marine, including an increase in the naval stores, pilotage and pensions	1,498,182	124,848
VIIA	National Debt, an increase for redemption of debt of 193,700 fl., and for interest, &c., 6,232 fl.	199,932	16,661
VIII	Ministry of War, in which the increase is mainly on account of the completion of fortifications	918,727	76,560
IX	Waterstaat trade and industry in which the increase is mainly on account of railways and postal and telegraph service	1,921,260	160,105
X	The Colonies, in which the increase is mainly on account of Surinam, although there is a diminished expenditure on Curaçoa	149,568	12,464
	The sum total of the increased expenditure being	5,028,497	419,039

Principal items of increase and decrease.

The three chapters in the budget in which a reduction has been effected are :—

Chapter.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
I	The Queen's household	9,200	766
II	The States-General and other State assemblies	2,849	237
VIIB	Finances including the expenditure on Department..	52,913	4,409
	Total	64,962	5,412

The large expenditure on the Naval Department will, however, be counterbalanced by an economy which it is sought to introduce

Method by which it is hoped to reduce deficit.

by means of the following arrangement between the Department of Marine and that of the Colonies. There is a Bill before the Chambers, according to which payment made by individuals to the Indian Government will no longer be available for the general expenses of administration but only for colonial expenditure. In the event of this Bill being passed efforts will be made by the Minister of Marine and of the Colonies for securing the repeal of the Royal Order of November 16, 1886, relating to naval expenditure in the Indies, with the result that the estimates of the Ministry of Marine will be diminished by a sum calculated at 1,500,000 fl. (125,000*l.*). This sum, together with the 3,000,000 fl. (250,000*l.*) set apart to meet extraordinary expenses, and generally unemployed, will reduce the estimate of expenditure to 131,740,027 fl. (10,978,335*l.*). If from this reduced expenditure, receipts estimated at 127,926,490 fl. (10,660,540*l.*) are deducted, there remains a deficit in round numbers of 3,800,000 fl. (316,666*l.*).

Extraordinary expenditure in 1893.

The four items mentioned in the review of the 10 years' expenditure ending in 1891 are given in this year's estimates at the following figures:—

Description.	Amount.	
	Currency.	Sterling.
	Florins.	£
Railways	2,225,000	185,416
Merwede Canal	230,000	19,166
Rotterdam Channel	868,000	72,333
Works at the mouth of the Maas	1,690,000	140,833
Total	5,013,000	417,748

This total, it will be seen, is about 1,200,000 fl. (100,000*l.*) more than the probable deficit, as arrived at by making allowance for the repayment of a large sum if the proposed arrangement between the Ministry of Marine and that of the Colonies is carried into effect. Without this possible repayment the deficit would be much greater, and would, in fact, exceed the four above-mentioned items of extraordinary expenditure by 300,000 fl. (25,000*l.*).

No special measures necessary for meeting deficit beyond recourse to floating debt.

Having regard to the increasing revenue from ordinary receipts, no special measures for covering the estimated deficit are at present proposed beyond the usual authorisation to make payments when necessary from the floating debt. It is not, however, thought probable that in the satisfactory state of the Treasury it will be necessary to take advantage of this authorisation.

The Minister concludes his statement with a table showing the deficits of former years and the manner in which it is proposed that they should be met:—

Deficit of past years.

Year.	Amount.	
	Currency.	Sterling.
	Florins.	£
1885..	6,119,545	509,962
1886..	849,764	70,813
1887..	3,504,728	292,060
1888..	2,689,146	224,095
1890..	21,476,855	1,789,737
Total	34,640,040	2,886,667

This total deficit is to be covered by :— How to be covered.

Description.	Amount.	
	Currency.	Sterling.
	Florins.	£
Surplus of the loan of 1884 ..	2,369,343	197,445
„ receipts of 1889	481,313	40,109
Part of the loan of 1892	31,789,383	2,649,115
Total	34,640,039	2,886,669

There is still the remainder of the loan of 1892 amounting to 13,143,208 fl. (1,095,267*l.*), with respect to which no arrangements have yet been made.

The Finance Minister's estimates have, since their introduction been subjected to certain modifications in consequence of two financial measures which, though practically depending on each other, have been introduced separately. The tax on property (vermogens belasting) has already been passed, and the tax on incomes derived from professions and occupations will, it is hoped, be passed in time to come into operation on May 1. Revised estimates.

These financial measures will be described, but it may here be stated that the sum which they are expected to bring in amounts to 5,730,000 fl. (477,500*l.*). The Minister has, therefore, been able to effect certain reductions of taxation with the result that there will be a decrease in the revenue from salt to the extent of 1,690,000 fl. (140,833*l.*).

A decrease in the revenue from soap to the extent of 1,500,000 fl. (125,000*l.*).

A decrease from registration dues to the extent of 1,430,000 fl. (119,166*l.*).

A decrease from mortgage dues of 430,000 fl. (35,833*l.*).

A decrease in percentages on registration dues of 1,060,000 fl. (88,333*l.*).

There is, on the other hand, an increase in the excise in spirits to the extent of 800,000 fl. (66,666*l.*).

Slight increase in estimated revenue.

The net result of these modifications is that the estimated revenue will be increased to the extent of 420,000 fl. (35,000*l.*), from 127,926,490 fl. (10,660,540*l.*) to 128,346,490 fl. (10,695,540*l.*).

And decrease in estimated expenditure.

The estimates of expenditure have also undergone modifications in passing the Second Chamber with the result that there is a diminution of 548,766 fl. (45,730*l.*), the sums being respectively 136,240,027 fl. (113,353,335*l.*) and 135,691,261 fl. (113,007,605*l.*).

The expenditure and revenue according to the original and revised estimates are as follows:—

	Original Estimates.		Revised Estimates.	
	Currency.	Sterling.	Currency.	Sterling.
	Florins.	£	Florins.	£
Expenditure ..	136,240,027	11,353,335	135,691,261	11,307,605
Revenue ..	127,926,490	10,660,540	128,346,390	10,695,540
Deficit ..	8,313,537	692,794	7,344,771	612,064

A table giving the estimates as revised is annexed to this report.

Irrespective of possible deductions.

The deficit is, of course, irrespective of the deductions which the Finance Minister hopes to derive from prospective arrangements between the Ministry of Marine and that of the Colonies, with other resources as explained above.

Financial measures of 1892.

The financial measures of the past year have been as follows:—

1. The abolition of the tax on soap.
2. The reduction on the duty on salt.
3. The reduction of the duties on the transfer of real property.
4. The equalisation of the land tax, so as to make it a fixed percentage on the rent of land, and at the same time to effect a reduction in it.

A further important measure, which will, however, depend on the passing of a law intended to replace it, is the abolition of the tax on "patents," that is, a tax on professional and industrial incomes, besides which there is a project for the abolition of tolls on canals and roads.

These measures would involve an annual loss to the revenue of about 15,000,000 fl. (1,250,000*l.*), and the measures by which the Finance Minister hopes to replace this loss are:—

1. An increased duty on spirits.

Proposed income tax consisting of two parts.

2. An income tax which consists of two Bills, which, although introduced separately, practically form part of the same measure. The first is a property tax "vermogens belasting" levied on all descriptions of real and personal property, the second being a tax on incomes derived from other sources industrial and professional "bedrijfs belasting."

The first of these financial measures has now been passed and will come into operation on May 1, unless in consequence of the second measure not having then been passed by the States-General it should be thought necessary to postpone the date. As it constitutes somewhat of a new departure in taxation a full summary is given.

The second is about to be re-introduced into the States-General after undergoing certain modifications so that a slight sketch of its scope will be sufficient.

Summary of law on taxation of property.

The law regulating the taxation of property consists of 54 articles, which are divided as follows under six heads :—

Description.	From—	To—
General provisions	1	12
Assessment..	13	23
Objections to assessments.. ..	24	38
Collection of tax	39	45
Special provisions	46	49
Provisional measures	50	54

General provisions.

The property tax is defined to be a direct tax, to which all persons residing in the Kingdom, or who have taken up their residence there in the course of the financial year, are liable. In the case of persons who commence to reside at some time in the course of the financial year, they will be liable to pay as many twelfths as there are months unexpired.

Property for the purpose of taxation is defined as being land, whether freehold or leasehold, and usufructs, which are charged at four-fifths of the value of the whole property. Besides this a sum 20 times the money value of annual receipts from buildings, farms, fixed rent (so-called), or permanent leases are to be considered as property, as also from tithes, ground rents, and other liabilities on real estate.

A wife's property is considered to form part of that of her husband, except in case of separation and those in which the wife has obtained a separate control over her own property, in which case, however, a single assessment is made for the whole property and then divided according to their respective shares.

The following articles are not included under the designation of property for the purposes of taxation :—

(*a*) Furniture, wearing apparel, provisions, artistic and scientific instruments, gold and silver work, jewellery and precious stones not being stock in trade.

(*b*) Life insurance policies still running.

(*c*) Claims on annuities and pensions.

(*d*) Possessions of which others enjoy the usufruct.

(*e*) Instalments of interest, bonuses, salaries, and other income not yet claimable.

Method of assessment.

Having described what is and what is not property for the purposes of taxation, the method to be employed in assessing the tax is next described under six heads *a*, *b*, *c*, *d*, *e*, *f* :—

(*a*) As regards land on which buildings have been erected and vacant land the calculation is based on 20 times the rateable return according to the last valuation, unless the proprietor chooses to have the whole of his property of this description valued at its selling price, in which case he states the fact in his return, inclosing a declaration showing the value he places on his property, everything included. If, however, the former course is adopted, *i.e.*, if 20 times the rateable value is made the basis of taxation, that sum is liable to the following deductions—

1. The State land tax and the additional percentages levied in the current year.

2. The "polder and waterschap" taxes fixed at the last assessment, so far as they exceed the sum deducted in fixing the taxable produce. These taxes, it should be explained, are peculiar to Holland, having to do with the land drainage and maintenance of the dykes.

3. The amount or value of the annual disbursements on building, leasing, rent, or permanent lease so-called, tithes, ground rent, or other charges on property.

(*b*) As regards building land, not including yards and gardens attached to houses, park lands, and land of less selling value than 1 fl. per centiaire. Houses and vacant land free from land tax. Land under water in consequence of removal of turf on which the old rateable value was maintained in the last assessment. Buildings for which on account of repairs, alterations, &c., the amount of taxation has still to be ascertained. Turf land, heath, quarries, &c., real estate situated outside the Kingdom and rights attached to it. The value of all such property is to be estimated at its ascertained selling value or that of property most closely resembling it.

(*c*) The before-mentioned multiple which is to serve as a basis of taxation is fixed at 20 times the amount or money value of the annual receipts, if these receipts vary the annual average of the last three financial years shall be taken, or if the receipts have not been realised for three years the annual average since their commencement. The amount on which the multiple of 20 is calculated shall be raised by 5 per cent., if any extraordinary payments have been made on account of transfers or other transactions.

(*d*) Bonds, shares, &c., shall be calculated at their money value according to the last quotations. These bonds are to include Government securities of the Netherlands or foreign countries, and also securities drawn up in the form of certificates.

(*e*) Mortgages and other claims not mentioned in the previous paragraph are to be calculated at the amount of the capital. Drafts payable at a subsequent date on which no interest is claimed, cheques and other commercial paper are to be estimated at their value in ready money.

(*f*) Ships, vessels, and boats with their equipment, fixed and movable machinery, &c., in factories and workshops, horses and carriages, and cattle and farm implements are to be valued according to the purpose for which they are employed.

Property thus estimated is liable to certain deductions—(1) Drafts on the person assessed, also drafts payable at a subsequent date on which no interest is claimed. Bills of exchange and other commercial paper to be estimated at their actual value in ready money. (2) 20 times the annual amount of the annuities, pension and fixed interest to be paid, and also 20 times the amount incurred for indispensable expenses of board and lodging. If the amount varies it is calculated at the annual average of the last three years, or if the charge has not been made for three years at the annual average since its commencement. No deduction is made for premiums on life insurance, pensions or annuities, for voluntary disbursements, or for maintenance and education of children.

Provision is also made for those whose property is invested in one or more enterprises, who, if they possess no saleable certificates or shares, may estimate their property according to the ast audited and approved balance in their favour, provided that proof can be given that the amount thus obtained would equal that obtained by the previously described methods.

The amount of the tax is calculated on the amount of the property thus assessed—owners of property of less than 13,000 fl. (1,083*l.*) are exempt; over 13,000 fl. (1,083*l.*) and under 14,000 fl. (1,166*l.*) the amount is 2 fl. (3*s.* 4*d.*); over 14,000 fl. (1,166*l.*) and under 15,000 fl. (1,250*l.*) the amount is 4 fl. (6*s.* 8*d.*); over 15,000 fl. (1,250*l.*) and under 200,000 fl. (16,666*l.*) the amount is 1 fl. 25 c. (2*s.* 1*d.*) for every sum of 1,000 fl. (83*l.*) above 10,000 fl. (833*l.*). If it exceeds 200,000 fl. (16,666*l.*) a fixed sum of 237 fl. 50 c. (19*l.* 16*s.* 3*d.*) is to be paid, and also 2 fl. (3*s.* 4*d.*) for every additional 1,000 fl. above the value of 200,000 fl.

It is provided that Consular officers of foreign Powers are exempt from the tax if subjects of the country appointing them, if they carry on no occupation, and provided that Dutch Consuls receive reciprocal advantages at the hands of the countries by whom the Consuls are appointed. Provision is also made in the case of persons incapable, for any reason, of managing their own affairs who are assessed in the commune where their legal representatives are domiciled; the usual rule being that persons are assessed in the commune where they reside at the time they become liable to the tax; the domicile of the husband being also that of the wife unless separated.

The assessment of the tax is entrusted to inspectors of registration, who are entitled to have access to the registers of the communal authorities. Lists are to be drawn up each year before May 15 by the inspectors of each commune, after consultation with the burgomasters, of the persons who are liable to the tax. Names may also be added in the course of the year of those persons liable to the tax who come to reside in the district in the course of the year.

Assessment papers containing particulars of what is required must be sent round to those persons whose names are on the list

before the end of May, and returns must be sent in within 20 days, though this period may be extended by the inspector, and persons who do not receive notices are expected to send in returns by June 15. Provision is also made for those who have been assessed in other communes, for persons who are prevented from making returns, by the wife in the absence of the husband, by legal representatives in case of deceased persons and those under legal disabilities, &c.

Returns are to be placed in a box provided for the purpose by the burgomaster at the State expense in every commune, or sent post free by registered letter to the receiver of probate duty or to the inspector. These returns are duly collected and embodied in an official report, opportunities being given for explanation and corrections. All persons neglecting to send in returns will be assessed by the inspector by virtue of his official authority. When the returns have been finally collected and registered a request for payment is sent in a closed letter to each of the persons assessed, the only difference in the case of those whose returns have been found to be too low, or who have not sent one in, is that the request is sent in a registered letter.

Objections to assessment.

Objections to an assessment may be sent in in writing within 30 days of the receipt of the summons to pay, and persons who have objections may be examined with regard to them by the inspector or by the receiver. Persons going to reside abroad may be allowed exemptions for as many twelfths of their assessment as there are months to expire before the end of the year, and with regard to usufructs terminating in the course of the financial year exemption will be granted for as many months as have not expired at the date of sending in the petition. The inspector may grant exemptions if in the course of the year he has reason to think that an assessment has been made unduly high, on receiving authority to do so from a higher official appointed by the Government.

Appeals against the decision of the inspector or the official assessment must be made in writing within 30 days to a court of appeal consisting of three members, of whom one is appointed by the Provincial States, one by the Minister of Finance, one by the Court of Justice of the district in which the court holds its meetings, a substitute is appointed for each member of the court and provision made for vacancies occurring. Members retire by rotation every two years but are eligible for re-election. A President is appointed by the Crown but is only entitled to advise.

The members or substitutes decide appeals by a majority of votes, after having heard both the aggrieved party or his representative and the inspector, but the documents relating to the appeal must be sent to the inspector 20 days before the case is tried. The inspector in supporting his decision can make use of official information to which he has access, but which he is otherwise bound to keep secret.

The court may fix an assessment differing both from the

return sent in and from the official assessment. In the course of the proceedings the person assessed may be allowed to amend his return. If there is still a doubt, the person assessed may be put on his oath, a procès-verbal drawn up and signed by the President and the members of the court. This assessment thus confirmed by oath will be accepted. Provision is made for a person being represented in case of unavoidable absence, and persons making false statements are liable to the penalties of the code.

The assessment fixed or confirmed by the decision of the court will be increased by 25 per cent. of the sum on which the tax is paid, if the person assessed has neglected to send in a statement; and in case of his declaration being too low it will be increased by 25 per cent. on the excess. In case of doubt as to the value of the goods which form the basis of the tax the council may call in the assistance of experts. The decision of the court will be made known to the parties interested as well as to the inspector.

It is also provided that the President and members of the court have all their expenses paid, and experts are paid according to the discretion of the President.

An appeal to the Crown if made within 30 days is allowed against the decision of the inspector with regard to remission allowed on account of absence from the Kingdom, and a decision will be given after consultation with the Council of State.

Collection of tax.

The tax is payable half-yearly, the first half before November 1, the second before April 1; each moiety may, if perferred, be paid in two portions. As soon as a person assessed leaves the Kingdom to change his domicile, his assessment is claimable although his right to claim exemption is unaffected, an arrangement is made for the payment of the tax by postal order free of cost.

In case of non-payment either on or before the appointed day a request is sent for payment within three days. If this notice is disregarded a further request is sent for payment within a further period of three days, with an intimation that in case of non-compliance further measures will be resorted to. A peremptory summons is then sent on pain of an execution being put in, which can be done on the motion of the cantonal judges. The matter then follows the usual judicial course, the case being dealt with in a summary manner.

The tax is recoverable on the goods of the wife as well as on those of the husband, in all cases where for purposes of taxation they are considered to form part of those of the husband. On the death of any person liable to the tax, his heirs become responsible for the part of it which may remain unpaid. The Crown retains the right in very exceptional cases of error or unintentional negligence to diminish or remit the penalties incurred.

Special provisions.

Every heir, executor, or administrator has the right to address complaints and to appeal with regard to the assessment of a deceased person as if he were himself the person assessed.

It is furthermore provided that any official who divulges information with regard to the assessment of any person's property, which is derived from official sources, whether in virtue of his present or any previous office, is liable for any such breach of confidence to six months' imprisonment or a fine of 600 fl. (50*l.*), and any third party found guilty of having brought about such a breach of confidence is liable to three months imprisonment and a fine of 300 fl. (25*l.*).

All legal documents in connection with the law are to be registered and sealed free of cost, and they are not subject to stamp duties or registration fees.

Law for taxation of professional incomes and profits from trade.

The following is an outline of the law as originally introduced for the taxation of professional incomes and profits from trade, which, as before-mentioned, is intended to be a substitute for the tax on patents or licenses. After being remodelled in order to satisfy some of the objections raised against it, it will be re-introduced and, if possible, passed before May 1, so that it may come into operation at the same time as the tax on property, of which it is the complement.

The principal object of the measure is to tax net profits apart from interest. For example, if 100,000 fl. are invested in an enterprise which yields 10,000 fl., or 10 per cent., 4,000 fl. is regarded as the interest on the capital employed, and as taxed by the property tax, so that the tax is imposed on the remaining 6,000 fl. considered as net profits. In the same way with limited liability companies, it is only after they have paid 4 per cent. that the profits are taxed, so that the tax may be described as one on profits, interest being deducted at the rate of 4 per cent.

The rate of taxation is intended to be rather lower than that on the property tax. Incomes derived from agriculture, horticulture, forestry, turf industry, and cattle breeding are not included in this tax, with respect to which, however, it will be unnecessary to give further details until the measure has been passed.

Comparative Table, showing the Estimates of Revenue for the Years 1892–93, and the Difference between them.

Currency.

Sources of Revenue.	1893.	1892.	Increase.	Decrease.
	Florins.	Florins.	Florins.	Florins.
Direct taxes—				
Land tax	12,592,600	12,502,000	90,600	...
Personeel, *i.e.*, assessed taxes	11,614,000	11,498,000	116,000	...
Patents or licenses	4,528,000	4,528,000	...	...
Excise—				
Sugar	8,500,000	8,500,000	...	...
Wine	1,825,000	1,800,000	25,000	...
Spirits	24,400,000	24,500,000	...	100,000
Salt	3,850,000	3,850,000	...	...
Soap	2,000,000	2,000,000	...	...
Beer and vinegar	1,090,006	1,070,000	20,000	...
Meat	3,000,000	3,000,000	...	...
Indirect taxes—				
Stamps	2,750,000	2,750,000	...	...
Registration	6,600,000	6,600,000	...	...
Charge on mortgages	975,000	975,000	...	...
Succession duties	8,100,000	8,100,000	...	...
Percentages	5,213,000	5,213,000	...	...
Import duties—				
Customs	5,725,000	5,700,000	25,000	...
Stamped forms	11,250	10,800	450	...
Tax on gold and silver wares	230,850	235,900	...	5,050
Domains, ordinary	1,600,000	1,600,000	...	...
,, belonging to War Department	55,000	55,000	...	...
Highways	315,000	315,000	...	...
Roads, ferries, and harbours	360,000	360,000	...	...
Post office	7,400,000	7,100,000	300,000	...
Telegraphs	1,359,000	1,368,000	...	9,000
State lotteries	661,500	661,500	...	...
Shooting and fishing licenses	136,000	140,000	...	4,000
Pilotage	1,400,000	1,350,000	50,000	...
Mining rights	6,930	7,250	...	320
Share of the State in profits from railways	3,945,000	4,345,000	...	400,000
Miscellaneous receipts	4,279,360	4,061,700	217,660	...
Contribution of Netherlands-India	...	...	...	...
Similar payment by Netherlands-India with regard to floating debt	...	...	...	...
Sums paid by Netherlands-India for interest and redemption of 3½ per cent. loan	1,854,000	1,854,000	...	...
Sums arising from sale of domains	150,000	150,000	...	...
Share of State in profits of the Netherlands Bank	1,200,000	1,200,000	...	...
Leges	200,000	200,000	...	...
Total	127,926,490	127,600,150	844,710	518,370
Net increase for 1893	...	...	326,340	...

The following alterations have been introduced into the estimates for 1893, making the total revenue amount to 128,346,490 fl.:—

Description.	Amount.
	Florins.
Property tax	5,730,000
Excise on spirits	25,200,000
,, ,, salt	2,160,000
,, ,, soap	500,000
Registration dues	5,170,000
Charge on mortgages	545,000
Percentages	4,153,000

COMPARATIVE Table showing the Estimates of Revenue for the Years 1892–93, and the Difference between them.

STERLING.

Sources of Revenue.	1893.	1892.	Increase.	Decrease.
	£	£	£	£
Direct taxes—				
Land tax	1,049,383	1,041,833	7,550	...
Personeel, *i.e.*, assessed taxes	967,833	958,166	9,667	...
Patents or licenses	377,333	377,333	...	...
Excise—				
Sugar	708,333	708,333	...	...
Wine	152,083	150,000	2,083	...
Spirits	2,033,333	2,041,666	...	8,333
Salt	320,833	320,833	...	...
Soap	166,666	166,666	...	...
Beer and vinegar	90,833	89,166	1,667	...
Meat	250,000	250,000	...	...
Indirect taxes—				
Stamps	229,166	229,166	...	...
Registration	550,000	550,000	...	...
Charge on mortgages	81,250	81,250	...	...
Succession duties	675,000	675,000	...	...
Percentages	434,416	434,416	...	...
Import duties—				
Customs	477,083	475,000	2,083	...
Stamped forms	937	900	37	...
Tax on gold and silver	19,237	19,658	...	421
Domains, ordinary domains	133,333	133,333	...	...
,, belonging to the War Department	4,583	4,583	...	...
Highways	26,250	26,250	...	...
Roads, ferries, and harbours	30,000	30,000	...	...
Post office	616,666	591,666	25,000	...
Telegraphs	113,250	114,000	...	750
State lotteries	55,125	55,125	...	...
Shooting and fishing licenses	11,333	11,666	...	333
Pilotage	116,666	112,500	4,166	...
Mining rights	577	604	...	27
Share of the State in profits from railways	328,750	362,083	...	33,333
Miscellaneous receipts	356,613	338,475	18,138	...
Contribution of Netherlands-India	...	...	...	...
Similar payment by Netherlands-India with regard to floating debt	...	...	...	...
Sums paid by Netherlands-India for interest and redemption of 3½ per cent. loan	154,500	154,500	...	...
Sums arising from sale of domains	12,500	12,500	...	...
Share of State in profits of the Netherlands Bank	100,000	100,000	...	...
Leges	16,666	16,666	...	..
Total	10,660,531	10,633,337	70,391	43,197
Net increase for 1893	...	...	27,194	...

The following alterations have been introduced into the estimates for 1893, making the total revenue amount to 10,695,540*l.* :—

Description.	Amount.
	£
Property tax	477,500
Excise on spirits	2,100,000
,, ,, salt	180,000
,, ,, soap	41,666
Registration dues	430,833
Charge on mortgages	45,416
Percentages	346,083

TABLE showing Estimates of Expenditure for the Year 1893 as Introduced by the Minister of Finance.

Number.	Departments.	Amount.	
		Currency.	Sterling.
		Florins.	£
I	Queen's Civil List	804,000	67,000
II	State Assemblies and Queen's Cabinet	660,506	55,042
III	Department of Foreign Affairs ..	783,862	65,321
IV	Justice	5,488,669	457,389
V	Home Department	12,308,424	1,025,702
VI	Department of Marine	15,697,423	1,308,118
VIIA	National Debt	35,242,898	2,936,908
VIIB	Finance Department	18,906,632	1,575,552
VIII	War Department	22,598,227	1,883,185
IX	Department of Waterstaat	22,346,853	1,862,237
X	Department of the Colonies	1,352,531	112,710
XI	Unforeseen expenditure	50,000	4,166
	Total	136,240,025	11,353,330

TABLE showing Revised Estimates of Expenditure for the Year 1893 as finally Passed by Second Chamber.

Number.	Departments.	Amount.	
		Currency.	Sterling.
		Florins.	£
I	Queen's Civil List	804,000	67,000
II	State Assemblies and Queen's Cabinet	660,506	55,042
III	Department of Foreign Affairs ..	783,862	65,321
IV	Department of Justice	5,488,669	457,389
V	Home Department	12,297,669	1,024,805
VI	Department of Marine	15,775,910	1,314,659
VIIA	National Debt	35,240,226	2,936,685
VIIB	Finance Department	19,129,493	1,594,124
VIII	War Department	22,265,552	1,855,462
IX	Department of Waterstaat	21,825,653	1,818,804
X	Department of the Colonies	1,369,690	114,140
XI	Unforeseen expenditure	50,000	4,166
	Total expenditure ..	135,691,262	11,307,597
	Revenue	128,346,490	10,695,540
	Deficit	7,344,772	612,057

TABLE showing the Revenue during the Years 1881–91 inclusive.

STERLING.

Years.	Ordinary Receipts.	Receipts from Netherlands-India.	Surplus from past Years.	Sale of Crown Lands.	Other Receipts.	Total.
	£	£	£	£	£	£
1881	9,264,976	...	...	10,418	1,028,905	10,304,299
1882	9,321,218	...	205,037	25,000	1,273,567	10,824,822
1883	9,348,942	...	...	9,875	2,106,339	11,465,156
1884	9,457,506	...	...	12,500	1,633,727	11,103,733
1885	9,626,149	...	...	18,750	25,000	9,669,899
1886	9,795,963	...	...	39,583	416,666	10,252,212
1887	9,866,802	...	...	20,833	25,000	9,912,635
1888	10,036,258	...	...	33,333	253,750	10,323,341
1889	10,231,694	...	...	41,666	108,333	10,381,693
1890	10,373,983	...	...	12,500	1,651,937	12,038,420
1891	10,786,553	...	...	12,500	45,000	10,844,053

TABLE showing the Revenue during the Years 1881–91 inclusive.

CURRENCY.

Years.	Ordinary Receipts.	Receipts from Netherlands-India.	Surplus from past Years.	Sale of Crown Lands.	Other Receipts.	Total.
	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.
1881	111,179,716	...	...	125,000	12,346,862	123,651,578
1882	111,854,620	...	2,460,445	300,000	15,282,810	129,897,877
1883	112,187,307	...	...	118,500	25,276,069	137,581,877
1884	113,490,077	...	...	150,000	19,604,727	133,244,805
1885	115,513,791	...	...	225,000	300,000	116,038,791
1886	117,551,564	...	...	475,000	5,000,000	123,026,564
1887	118,401,626	...	...	250,000	300,000	118,951,626
1888	120,435,101	...	...	400,000	3,045,000	123,880,101
1889	122,780,333	...	...	500,000	1,300,000	124,580,333
1890	124,487,805	...	...	150,000	19,823,251	144,461,056
1891	129,438,639	...	...	150,000	540,000	130,128,639

TABLE of Expenditure during the Years 1881–91 inclusive.

STERLING.

Years.	General Service.	Interest.	Redemption of Debt.	State Railways.	Other Expenditure.	Total.
	£	£	£	£	£	£
1881	6,261,875	2,282,803	86,482	1,083,333	589,802	10,304,295
1882	6,658,957	2,338,060	91,013	1,166,666	570,125	10,824,821
1883	6,892,979	2,442,802	93,341	1,208,333	827,699	11,465,154
1884	6,872,808	2,561,013	116,721	916,666	636,524	11,103,732
1885	6,386,956	2,658,390	122,401	416,666	595,446	10,179,859
1886	6,503,459	2,589,825	149,783	478,166	601,792	10,323,025
1887	6,466,714	2,543,803	175,641	108,333	910,204	10,204,695
1888	6,545,707	2,536,488	430,364	123,750	911,126	10,547,435
1889	6,668,976	2,528,360	199,231	174,583	770,433	10,341,583
1890	6,765,508	2,623,796	211,661	3,366,666	860,525	13,828,156
1891	7,245,208	2,603,433	239,378	112,500	712,349	10,912,868

TABLE of Expenditure during the Years 1881–91 inclusive.

CURRENCY.

Years.	General Service.	Interest.	Redemption of Debt.	State Railways.	Other Expenditure.	Total.
	Florins.	Florins.	Florins.	Florins.	Florins.	Florins
1881	75,142,509	27,393,642	1,037,792	13,000,000	7,077,634	123,651,578
1882	79,907,485	28,056,729	1,092,155	14,000,000	6,841,506	129,897,877
1883	82,715,756	29,313,623	1,120,100	14,500,000	9,932,397	137,581,877
1884	82,473,696	30,732,157	1,400,659	11,000,000	7,638,291	133,244,805
1885	76,643,476	31,900,687	1,468,813	5,000,000	7,145,359	122,158,337
1886	78,041,509	31,077,904	1,797,400	5,738,000	7,221,514	123,876,328
1887	77,600,568	30,525,635	2,107,695	1,300,000	10,922,455	122,456,355
1888	78,548,484	30,437,866	5,164,375	1,485,000	10,933,521	126,569,247
1889	80,027,722	30,340,320	2,390,772	2,095,000	9,245,205	124,099,020
1890	81,186,099	31,485,559	2,539,941	40,400,000	10,326,311	165,937,911
1891	86,942,493	31,241,201	2,872,545	1,350,000	8,548,193	130,954,433

TABLE showing how the "other Expenditure" comprised in the Fifth Column of the preceding Table is made up.

Description.	1881.		1882.		1883.		1884.		1885.		1885.	
	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.
	Florins.	£	Florins.	£	Florins.	£	Florins.	£	Florins.	£	Florins.	£
Expenditure on prevention of cattle disease	145,752	12,146	234,256	19,522	341,645	28,470	819,268	68,272	134,523	11,210	39,018	3,251
Extraordinary expenditure in the War Department	3,382,962	281,913	3,720,882	310,073	4,853,599	404,466	2,774,646	231,220	2,908,592	242,382	3,086,110	257,175
Extraordinary expenditure in the Marine Department	1,516,120	126,343	812,500	67,708	1,318,450	109,870	90,487	7,540	86,378	7,198	272,124	22,677
Expenditure on revision of the taxable revenue on unbuilt-on properties ...	148,690	12,390	159,228	13,269	146,131	12,177	267,345	22,278	571,020	47,585	196,945	16,412
Improvements to river at Rotterdam ...	1,884,108	157,009	1,164,086	97,007	2,292,694	191,057	2,472,501	206,011	1,544,895	128,741	1,500,130	125,010
Expenditure on the Merwede Canal ...	...	...	750,542	62,545	941,584	78,465	1,156,744	96,395	1,671,445	139,287	1,600,925	133,410
Works at the mouth of the Maas	...	...	...	...	38,292	3,191	57,298	4,774	228,504	19,042	526,260	43,855
Total	7,077,634	589,801	6,841,506	570,125	9,932,397	827,696	7,638,291	636,520	7,145,359	595,446	7,221,514	601,790

Description.	1887.		1888.		1889.		1890.		1891.	
	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.
	Florins.	£	Florins.	£	Florins.	£	Florins.	£	Florins.	£
Expenditure on prevention of cattle disease	34,021	2,835	39,258	3,271	84,670	7,055	46,172	3,847	55,635	4,636
Extraordinary expenditure in the War Department	2,921,750	243,479	2,198,487	183,207	2,898,424	241,535	2,927,784	243,982	3,396,017	283,001
Extraordinary expenditure in the Marine Department	117,130	9,760	259,221	21,601	459,787	38,315	307,182	25,598	71,352	5,946
Expenditure on revision of the taxable revenue on unbuilt-on properties	233,787	19,482	879,934	73,327	421,686	35,140	218,260	18,188	...	...
Improvements to river at Rotterdam	1,455,528	121,294	1,501,130	125,094	1,486,176	123,849	1,464,380	122,031	1,457,811	121,484
Expenditure on the Merwede Canal	3,129,885	260,823	2,772,833	231,069	2,184,887	182,074	3,577,638	298,128	2,144,302	178,691
Works at the mouth of the Maas	3,030,353	252,529	3,232,655	273,555	1,709,571	142,465	1,784,992	148,749	1,423,073	118,589
Total	10,922,455	910,204	10,933,521	911,126	9,245,205	770,433	10,326,311	860,525	8,548,193	712,349

THE following is the Translation of the Chapter in the Budget which deals with the National Debt, after Revision in the Second Chamber.

Article.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
I	Interest on a capital sum of 629,098,400 fl. (52,424,866*l.*) inscribed debt at 2½ per cent., falling due June 30 and December 31, 1893	15,727,460	1,310,621
II	Interest on a capital sum of 93,415,950 fl. (7,784,662*l.*) inscribed debt at 3 per cent., falling due March 1 and September 1, 1893	2,802,478	233,539
III	Interest on the bonds of the late sinking fund syndicate at 3½ per cent. on a capital of 3,035,000 fl. (252,916*l.*), falling due April 1 and October 1, 1893, and also on the amount of these bonds redeemable on January 2, 1893	119,323	9,943
IV	Interest on the inscribed debt yielding interest: on the bonds issued by virtue of the law of May 9, 1886, and on those issued by virtue of the law of December 28, 1891, at 3½ per cent. on a capital of 378,535,600 fl. (31,544,633*l.*), falling due on April 1 and October 1, 1893, and also on a capital of this debt redeemable after January 1, 1893, besides a provision to the amount of ⅛ per cent. of the nominal amount of the coupons of the above-named bonds paid abroad..	13,259,975	1,104,998
V	Interest on a capital of 229,510*l.* nominal, at 11·85 fl. to the 1*l.*, 2,719,673 fl. Dutch currency bonds yielding interest at 6 per cent. issued in 1876 by the Dutch-Rhenish Railway Company by virtue of an agreement between the State and the Railway Company sanctioned by the Law of July 22, 1890, which bonds have been taken over by the State, falling due on January 1 and July 1, 1893, together with the cost on the payment of the coupons of that loan abroad and at Amsterdam in accordance with what has been decided in the conditions on which the loan was contracted	166,624	13,885

THE following is the Translation of the Chapter in the Budget which deals with the National Debt, after Revision in the Second Chamber—continued.

Article.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
VI	Interest on a capital of 24,500*l.* nominal, at 12 fl. per 1*l.*, or 294,000 fl. Netherlands currency, 5 per cent. interest paying bonds issued in 1876 by the Dutch-Rhenish Railway, and by virtue of an agreement between the State and the Railway brought to the charge of the State, falling due March 1, April 1, September 1, and October 1, 1893, together with costs connected with the payment of the coupons abroad and in Amsterdam in accordance with the conditions on which the loan was issued ..	14,847	1,237
VII	Interest and expenditure incurred in the preparation and issue of Treasury bills and promissory notes, also the cost of pledging Treasury bills, the issue of which is permitted by law, as also interest on the money which according to the terms of the Law of August 7, 1888, has been advanced to the State by the Netherlands Bank..	50,000	4,166
VIII	Interest on the caution money paid by officials at 4 per cent., and on caution money paid by taxpayers at 3 per cent., due June 30 and December 31, 1893 ..	1,500	125
IX	Ordinary annuities on the year, falling due January 1, 1892	298	24
X	Interest at 3 per cent. on capital sums, together amounting to 3,976 fl. (331*l.*), raised for the maintenance and improvement of high roads in what was formerly the Valkenburg in the province of Limburg, by virtue of agreements entered into with the communes interested, now charged to the State, falling due in 1893..	119	10
XI	Interest, fixed charges and disbursements falling due in 1893 on account of State domains, and on highways and canals ..	38,100	3,175
XII	Interest on voluntary and judicial consignments	20,000	1,666
	Total	32,200,726	2,683,389

THE following is the Translation of the Chapter in the Budget which deals with the National Debt, after Revision in the Second Chamber—continued.

Article.	Description.	Amount.	
		Currency.	Sterling.
		Florins.	£
	SECTION II.		
	Redemption of the National Debt.		
XIII	Redemption and discharge of interest bearing National Debt, including the discharge of certain payments belonging to the administration of domains, fixed burdens, and payments	2,839,500	236,625
XIV	Payment to the Amsterdam Canal Company, by virtue of the agreement approved of in the Law of December 19, 1882..	200,000	16,666
	Total for redemption of National Debt	3,039,500	253,291
	National Debt	32,200,726	2,683,393
	Grand total	35,240,226	2,936,684

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FOREIGN OFFICE.

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ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1114.

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1253.	Nagasaki	1d.
1254.	Smyrna	1d.
1255.	Yokohama	1½d.
1256.	Stockholm	1½d.
1257.	Lisbon	1½d.
1258.	Tientsin	1d.
1259.	Port Said	1d.
1260.	Hiogo and Osaka	2½d.
1261.	Damascus	1d.
1262.	Samoa	½d.
1263.	Rio Grande do Sul	2½d.
1264.	Jeddah	1d.

No. 1265.

Reference to previous Report, Annual Series No. 1114.

AUSTRIA-HUNGARY.

VIENNA.

Consul-General von Schoeller to the Earl of Rosebery.

My Lord, *Vienna, June 7,* 1893.

I HAVE the honour to enclose a Report on the Foreign Trade of Austria-Hungary for 1892, to which I have added a few details relating to other Commercial matters which might possibly be of interest.

I have, &c.
(Signed) PAUL VON SCHOELLER

Report on the Trade and Commerce of Austria-Hungary for the Year 1892.

ABSTRACT of Contents.

	PAGE
Effect of new treaties on trade	1
Imports	2
Exports	4
Trade balance	7
Imports from Great Britain and dependencies	9
Exports to „ „ „	11
New railways	11
Vienna city railway	11
New currency	13
New Austrian currency illustrated	14
„ Hungarian „ „	15

New commercial treaties.

As is known, the new treaties of commerce came into force on February 1, hence the new rates of the same were applicable to all articles imported into Austria-Hungary from the above date. These treaties altered in some way the rates of certain articles fixed by the 1882 tariff.

Trade balance increased.

The apprehensions of the adherents of protective duties appear to have been justified to some extent as the imports show an increase; whilst on the other hand the exports have experienced a falling-off. Nevertheless the trade balance was still an active one, *i.e.*, the exports still exceeded by nearly 6,000,000*l.* in value the imports. Adding the values of the imports and the exports together, the Austrian international trade exhibits the largest total realised during the last decade.

Explanatory reasons.

It may, however, be presumed that the increase of imports is less attributable to the reduction of the rates, which, after all, was only a moderate one, than to the fact that importers put off in 1891 the importing of any considerable quantities of goods until the new rates of the 1892 treaties had come into force. Thus the stores were exhausted then, and had to be replenished in 1892.

Imports.

Articles increased and decreased.

The imports show a considerable increase in the case of provisions, viz., of coffee, tea, spices, and southern fruits, wine (from Italy), brandy, cheese, pigs, poultry, wheat, and rye. A decrease took place with reference to oats, millet, and sheep. Of materials for manufacturing purposes increases are to be noted for wool, hides, and skins; lead, zinc, pig and broken iron; mineral oils, cement, lead, indigo, gums, and resins; salts for industrial purposes, paraffin, cichories, palm-oil, and cocoanut-oil; whereas the imports of jute, coal, timber, linseed-oil, turnery materials (meerschaum, amber, nuts for buttons, mother-of-pearl), and canes for chairs show a falling-off. Of manufactures a decrease is only shown in the case of glass and wooden wares, whereas the imports of cotton and woollen yarns, cotton and woollen goods, earthenware, fancy goods, paper, leather, instruments, machines, and vehicles exhibit increases more or less, as compared with the figures of the preceding year.

Value.

The value of the imports of 1892 amounted to 56,100,000*l.*, as against 51,000,000*l.* in 1891, the plus being thus 10 per cent.

The three classes of goods (provisions, materials for manufacturing purposes, and manufactures) share nearly equally in this increase.

The quantities of the imports of 1892 with a comparison of those of the preceding year may be seen from the subjoined list, in which most of the important articles are enumerated.

RETURN of Principal Articles of Import into Austria-Hungary during the Years 1891–92.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
1. Provisions—			
Corn	2,124,839	1,985,223	– 139,616
Including—			
Wheat	185,681	254,642	+ 68,961
Rye	43,432	141,305	+ 97,873
Barley	115,965	89,672	– 26,293
Oats	492,866	280,214	– 212,652
Maize	990,706	1,059,585	+ 68,879
Millet	248,523	127,876	– 120,647
Buckwheat	44,086	31,397	– 12,689
Coffee	694,135	716,141	+ 22,006
Tea	12,422	14,096	+ 1,674
Spices	52,486	56,720	+ 4,236
Figs (dried)	305,310	370,448	+ 65,138
Raisins	151,352	185,352	+ 34,000
Southern fruits	422,732	702,351	+ 279,619
Almonds	38,489	33,154	– 5,335
Rice	1,508,708	1,555,915	+ 47,207
Wine	100,264	1,034,390	+ 934,126
Cheese	36,952	43,309	+ 6,357
Poultry	28,944	35,493	+ 6,549
Brandy, rum, &c.	21,920	27,187	+ 5,267
Oxen and bulls (per head)	54,140	49,417	– 4,723
Cows (per head)	8,095	11,335	+ 3,240
Calves „	7,489	9,885	+ 2,396
Sheep „	143,434	33,996	– 109,438
Pigs „	167,365	185,881	+ 18,516
2. Materials for manufacturing purposes—			
Cotton (after deducting export)	2,058,135	2,103,664	+ 45,529
Flax, hemp, and oakum	689,128	653,580	– 35,548
Jute	538,038	347,607	– 190,607
Wool	521,436	548,861	+ 27,425
Silk	32,897	34,553	+ 1,656
Hides and skins	478,671	628,451	+ 149,780
Indiarubber	10,130	10,854	+ 724
Lead	84,879	138,299	+ 53,420
Copper	181,511	168,511	– 12,900
Zinc	219,346	273,297	+ 53,951
Tin	46,023	46,806	+ 783
Pig-iron	803,743	925,475	+ 121,732
Broken iron	292,197	320,804	+ 28,607
Iron ore	1,328,844	1,398,250	+ 69,406
Coke	4,841,506	4,954,770	+ 113,264
Coal	71,594,509	65,389,988	– 6,204,521
Mineral oil	2,721,720	2,931,924	+ 210,204
Thick-shelled nuts, for buttons	117,947	105,248	– 12,699
Shells	52,107	50,035	– 2,072
Including mother-of-pearl	41,677	39,655	– 2,019
Meerschaum	6,028	3,299	– 2,729
Amber	1,299	891	– 408
Cane	18,405	16,555	– 1,850
Timber	1,755,187	1,619,933	– 135,254
Cement	369,878	495,706	+ 125,828

RETURN of Principal Articles of Import into Austria-Hungary during the Years 1891–92—continued.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
2. Materials for manufacturing purposes—continued—			
Slates	225,965	316,618	+ 90,653
Dyeing and tanning materials	897,847	923,852	+ 26,005
Including indigo	12,537	21,114	+ 8,577
Gums and resins	648,118	711,154	+ 63,036
Salt for industrial purposes	521,758	542,472	+ 20,714
Chemical materials	1,369,623	1,374,448	+ 4,825
Linseed oil	227,401	186,257	+ 41,144
Paraffin	46,376	96,287	+ 49,911
Cacao beans	13,929	13,115	— 814
Succory (dried)	139,255	188,391	+ 49,136
Oil seed	304,169	297,269	— 6,900
Cacao nut oil and palm oil	187,564	314,184	+ 126,620
Rags	75,395	48,902	— 26,493
3. Manufactures—			
Cotton yarns	203,288	213,448	+ 19,160
Cotton goods	20,149	24,869	+ 4,720
Linen yarns	29,504	29,863	+ 359
Jute „	69,552	67,594	— 1,958
Woollen yarns	119,798	140,199	+ 20,401
„ goods	42,377	45,923	+ 3,546
Silk goods	6,149	6,419	+ 269
Glassware	80,894	71,230	— 9,664
Woodenware	352,876	173,622	— 179,254
Earthenware	1,902,677	2,372,666	+ 499,989
Paper	46,723	57,019	+ 10,296
Leather	101,553	110,053	+ 8,500
Instruments	7,356	9,976	+ 2,620
Iron goods	643,581	632,877	— 10,704
Machines	562,490	719,576	+ 157,086
Vehicles	4,908	13,934	+ 9,026
Fancy goods	6,802	7,803	+ 1,001

Exports.

The exports, as already mentioned, did not keep pace with the development which the figures of the imports show. Several reasons may be assigned for this. In the first place grain was too high in price to allow of any considerable export of wheat and mill produce, therefore the export was about half the quantity of the preceding year. Only through the increased export of oats and maize the figures of the quantities of exported grain were brought up to those of 1891; the difference in value, however, compared unfavourably in 1892. A further reason for the falling-off of the exports may also be found in the prohibition of imports by neighbouring countries during the time of the cholera last summer and autumn, and lastly in the still unsettled commercial relations with Roumania.

The value of the imports amounted to 62,000,000*l.*, which, as against 1891, with 65,500,000*l.*, shows a falling-off of 5 per cent.

Considering that considerable decreases also took place with reference to rye, barley, dried vegetables, fruits, green vegetables, potatoes, raw and refined sugar, wine, spirits, meat, and oxen, coal, timber, and wool, the result must still be termed a comparatively favourable one, as the said decreases affected—if not all Austrian export goods—still her most important ones. Higher export figures—in addition to those of oats and maize already mentioned—are shown in malt, beer, butter, eggs, poultry, salt, sheep, pigs; further, in paper-pulp, iron-ore, pig-iron, and oil-seed, and also in the manufactures of cotton and linen yarns, cotton, woollen, and linen goods, glass-ware, china, fancy goods, paper, and paper goods.

The quantities of the export of 1892, with a comparison of those of the preceding year, may be seen from the subjoined list, in which most of the important articles are enumerated.

RETURN of the Principal Articles of Export from Austria-Hungary during the Years 1891–92.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
1. Provisions—			
Corn	14,903,723	15,062,523	+ 158,800
Including—			
Wheat	3,019,863	1,464,127	— 1,555,736
Rye	727,094	604,026	— 123,068
Barley	6,482,480	6,327,382	— 155,098
Malt	2,319,127	2,384,413	+ 65,286
Oats	689,918	2,102,437	+ 1,412,519
Maize	1,617,406	2,099,876	+ 482,470
Mill produce	1,963,415	910,829	— 1,052,586
Dried vegetables	2,300,104	1,566,685	— 733,418
Fruit	2,402,000	1,046,689	— 1,355,311
Green vegetables	2,442,965	1,973,008	— 469,957
Including—			
Potatoes	1,622,996	1,349,010	— 273,986
Sugar—			
Refined	5,205,852	4,498,948	— 706,904
Raw	4,609,963	3,206,886	— 1,403,077
Beer	1,077,514	1,147,012	+ 69,798
Wine	763,239	496,463	— 266,776
Spirits	726,421	468,041	— 258,380
Mineral water	353,568	345,352	— 8,216
Butter	87,442	100,297	+ 12,855
Eggs	1,091,629	1,272,828	+ 181,199
Poultry	127,193	136,577	+ 9,384
Salt	94,814	196,791	+ 101,977
Meat	218,732	46,663	— 172,069
Horned cattle (head)	98,141	73,597	— 24,544
Sheep „	41,435	202,002	+ 160,567
Pigs „	143,799	349,194	+ 205,395
2. Articles for manufacturing purposes—			
Coal	150,198,048	146,113,282	— 4,084,766
Timber	42,810,062	37,207,652	— 5,602,410
Charcoal	394,789	315,637	— 79,152
Wool	136,916	123,271	— 13,645
Paper pulp	501,164	630,431	+ 129,267
Chemical substances	534,761	551,463	+ 16,702
Manures	514,905	467,249	— 47,656
Ozokerite	123,138	125,701	+ 2,563
Ceresine	70,098	72,371	+ 2,273
Margarine	160,648	140,486	— 20,162
Iron ore	1,717,728	2,108,993	+ 391,265
Pig-iron	175,941	194,492	+ 18,551
Hops	64,151	47,691	— 16,460
Oil-seed	228,283	257,487	+ 29,204
3. Manufactures—			
Cotton yarns	30,507	32,386	+ 1,879
Linen „	159,331	161,883	+ 2,552
Woollen „	15,697	10,793	— 4,904
Silk	26,812	26,259	— 553
Cotton goods	49,458	54,528	+ 5,070
Linen „	44,441	47,402	+ 2,961
Ropemakers' goods	34,974	29,291	— 5,683
Woollen goods	73,920	81,034	+ 7,114
Silk goods	11,581	11,856	+ 275

RETURN of the Principal Articles of Export from Austria-Hungary during the Years 1891–92—continued.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
3. Manufactures—continued—			
Garments and linen	37,301	38,134	+ 833
Indiarubber goods	8,696	7,967	— 729
Leather goods	56,691	50,006	— 6,685
Including—			
Gloves	10,887	11,197	+ 310
Shoes	37,141	30,800	— 6,341
Glassware	834,656	860,128	+ 25,472
China	169,668	174,098	+ 4,430
Ironware	691,625	582,256	— 109,369
Metal goods	61,353	62,824	+ 1,471
Machines	196,057	156,507	— 19,550
Instruments	12,670	11,406	— 1,274
Fancy goods	52,899	61,467	+ 8,568
Wooden goods	682,565	671,398	— 11,167
Paper	844,033	886,728	+ 42,695
„ goods	60,587	65,261	+ 4,674
Matches	163,410	129,278	— 34,278
Chemical produce	196,168	175,576	— 20,592

Trade balance.

Increased imports and decreased exports naturally materially influenced the trade balance, which, although still an active one, proved to be the smallest realised during the last decade. Against the preceding year, this balance experienced a reduction of more than 8,000,000*l.*, attributable to the increase of the imports by 5,100,000*l.*, and to the decrease of exports by 3,500,000*l.*

TABLE showing the Total Value of the Imports to and Exports from Austria-Hungary during the last Decade.

Year.	Value.			
	Imports.	Exports.	Aggregate.	Surplus of Exports.
	£	£	£	£
1883.. ..	52,075,000	62,500,000	114,575,000	10,425,000
1884.. ..	51,050,000	57,625,000	108,675,000	6,575,000
1885.. ..	46,500,000	56,250,000	102,750,000	9,750,000
1886.. ..	45,000,000	58,225,000	103,225,000	13,225,000
1887.. ..	46,800,000	56,850,000	103,650,000	10,050,000
1888.. ..	44,450,000	60,700,000	105,150,000	16,250,000
1889.. ..	49,100,000	63,850,000	112,950,000	14,750,000
1890.. ..	50,890,000	64,280,000	115,170,000	13,390,000
1891.. ..	51,000,000	65,500,000	116,500,000	14,500,000
1892.. ..	56,100,000	62,000,000	118,100,000	5,900,000
Total ..	492,965,000	607,780,000	1,100,745,000	114,815,000

It is thus shown that during the last decade the Austro-Hungarian Monarchy cleared nearly 115,000,000*l.* out of the international commerce.

The quantities of the principal articles imported into Austria-Hungary from Great Britain and her dependencies in 1892, compared with 1891, were as follows :—

TABLE showing Principal Articles Imported into Austria-Hungary from Great Britain and Her Dependencies during the Years 1891–92.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
Cocoa beans	2,376	3,086	+ 710
Tea } „ direct from China }	11,220*	12,935†	+ 1,715
Spices	35,302	40,818	+ 5,516
Raisins, almonds, &c.	..	887	..
Syrup and molasses	..	5,787	..
Tobacco	..	4,498	..
Rice	1,068,264	1,233,005	+ 146,741
Vegetables, fruits, and plants	47,868	48,506	+ 638
Hides and skins	69,576	84,016	+ 14,440
Ostrich and other ornamental feathers	..	432	..
Grease	126,624	123,616	— 3,008
Oil	93,886	77,938	— 15,948
Beverages	9,368	11,020	+ 1,652
Including—			
Rum	7,438	9,003	+ 1,565
Eatables	80,890	89,109	+ 8,219
Including—			
Herrings and other preserved fish	79,240	87,451	+ 8,211
Timber and coal	908,044	1,868,704	+ 960,660
Turners' materials	33,192	43,095	+ 11,903
Minerals	77,494	66,714	— 10,780
Tanning and dyeing materials	121,324	151,186	+ 29,862
Gums and resins	64,670	26,455	— 38,215
Mineral oil	8,984	3,131	— 5,853
Cotton and cotton refuse	947,542	943,021	— 4,521
Cotton yarns	162,360	169,030	+ 6,670
Cotton goods	5,236	5,499	+ 263
Jute	438,134	324,501	— 113,633
Flax and linen yarns	10,956	13,073	+ 2,117
Linen goods	248	648	+ 400
Jute sacks and sacking	2,302	5,753	+ 3,451
Ropes	126	1,470	+ 1,344
Wool and shoddy	93,536	81,636	— 11,900
Hair	..	1,281	..
Woollen yarns	48,722	45,934	— 2,788
„ goods	13,336	14,465	+ 1,129
Silk and silk goods	714	1,658	+ 944
Hats and garments	17,860	9,233	— 8,627
Cane	..	1,180	..
Straw bands and plaits	..	4,979	..
Paper and paper goods	..	1,827	..
Indiarubber and indiarubber goods	5,686	6,926	+ 1,240
Oilcloths	4,174	3,576	— 598
Leather	48,346	44,316	— 4,030
„ goods	1,926	2,046	+ 120
Wood and bone goods	6,694	5,953	— 741
Glass and glassware	..	1,544	..
Slate	110,200	168,278	+ 58,078
Stone goods	..	3,789	..
Earthenware	21,550	17,614	— 3,936

* In 1891, tea, 714 cwts.; direct from China, 10,506 cwts.
† In 1892, tea, 970 cwts.; direct from China, 11,965 cwts.

TABLE showing Principal Articles Imported into Austria-Hungary from Great Britain and Her Dependencies during the Years 1891–92—continued.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts	Cwts.	Cwts.
Pig-iron, &c.	569,362	681,580	+ 112,218
Old iron	6,512	5,417	– 1,095
Iron and steel in bars	15,106	7,064	– 8,042
„ plates	9,606	13,489	+ 3,883
Wire	4,734	3,690	– 1,044
Cast-iron	1,316	788	– 528
Iron goods	9,570	8,942	– 628
Sickles	318	209	– 109
Nails	172	211	+ 39
Boilers	1,470	444	– 926
Tin-ware	..	989	..
Tools and arms	6,314	5,616	– 698
Steel pens	1,240	1,007	– 233
Needles	296	294	– 2
Metal and metal goods—			
Lead	45,280	1,899	+ 19,641
Tin		9,165	
Nickel		88	
Copper		51,591	
Sundries		82	
Metal goods		2,096	
Machines	210,122	247,153	+ 37,031
Cycles	806	1,144	+ 338
Gold	..	123	..
Watches (number)	1,021	1,077	+ 56
Umbrellas „	2,704	3,727	+ 1,023
Chemical substances	69,970	69,707	– 263
„ produce	..	7,382	..
Candles and soap		506	..
Matches	..	277	..
Books, pictures, &c.	..	459	..
Manure and refuse		40,897	..

The quantities of the principal articles exported from Austria-Hungary to Great Britain and her Dependencies in 1892, compared with 1891, were as follows:—

TABLE showing the Principal Articles Exported from Austria-Hungary to Great Britain and Her Dependencies during the Years 1891–92.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
Sugar —			
1st class	64,060	26,145	– 37,915
2nd „	169,770	66,533	– 103,237
3rd „	1,494,124	1,225,182	– 268,942
Tobacco	8,288	19,525	+ 11,237
Corn	1,392,722	292,983	– 1,099,739
Including—			
Barley	475,608	118,835	– 356,773
Wheat	139,908	5,558	– 134,350
Malt	..	2,341	..
Beans and other dried vegetables	100,342	64,106	– 36,236
Flour	675,196	99,494	– 575,702
Vegetables and plants	12,708	10,998	– 1,710
Game	6,784	4,580	+ 3,351
Poultry		5,505	
Eggs	164,888	220,823	+ 55,935
Hide and skins	1,694	1,839	+ 145
Hairs and bristles	..	449	..
Butter	3,732	4,030	+ 298
Ceresine	7,992	14,195	+ 6,203
Margarine	816	203	– 613
Beer	36	6,205	+ 6,169
Spirits	1,106	800	– 306
Wine	4,506	2,271	– 2,235
Mineral water	21,448	3,449	– 17,999
Timber	5,300	29,114	+ 23,814
Staves	15,382	19,634	+ 4,252
Wooden goods	6,352	58,296	+ 51,944
Canes	1,452	2,399	+ 947
Meerschaum	25	6	– 19
Mother-of-pearl	..	811	..
Manganese ore	..	21,653	..
Graphite	..	9,834	..
Other earths	..	8,480	..
Asbestos	..	195	..
Sumach	..	4,551	..
Tannic acids	75,740	30,290	– 45,450
Ozokerite	..	1,594	..
Asphaltum	..	1,484	..
Cotton goods	2,346	3,533	+ 1,187
Hemp	2,012	4,412	+ 2,400
Flax yarns	8,592	6,309	– 2,283
Linen „	812	1,787	+ 975
„ goods	1,420	1,002	– 418
String and ropes	9,300	1,906	– 7,394
Wool	5,436	304	– 1,771
Shoddy		3,361	
Woollen goods	5,058	5,618	+ 560
Silk and silk goods	2,608	2,470	– 138
Garments and linen	1,278	1,229	– 49
Hats (number)	..	11,743	..
Brushes	1,564	2,460	+ 896
Pulp	195,172	30,468	– 22,987
Paper		140,562	
Play-cards		1,155	

TABLE showing the Principal Articles Exported from Austria-Hungary to Great Britain and Her Dependencies during the Years 1891–92—continued.

Articles.	Quantity.		
	1891.	1892.	Difference.
	Cwts.	Cwts.	Cwts.
Indiarubber goods	728	1,635	+ 907
Leather	460	499	+ 39
„ goods	804	1,026	+ 222
Shoes	3,240	7 130	+ 3,890
Gloves	5,054	5,132	+ 78
Common wooden goods		3,010	
Furniture made of bent wood		9,348	
Turners' goods	24,090	5,794	+ 4,406
Wooden goods, fine, gilt, or coloured		6,521	
Toys		3,323	
Glass bottles		3,539	
Glass	74,310	37,278	+ 7,58
Glass buttons		5,645	
Glassware		35,432	
Earthenware	11,876	5,836	+ 1,18(
China		7,176	
Iron and iron goods	5,096	8,310	+ 3,214
Common metal and metal goods	11,368	10,877	— 491
Machines	..	1,263	..
Musical instruments	1,532	665	— 86
Clocks	..	297	..
Gilt and silvered goods	..	281	..
Mother-of-pearl buttons	3,370	2,768	— 60
Fancy goods	7,338	7,229	— 109
Chemical substances	2,280	4,684	+ 2,404
„ produce	3,014	9,332	+ 6,318
Matches	13,644	3,896	— 9,748
Books	436	417	— 19
Pictures	882	862	— 2(

Railways.

The construction of new railways in Austria in 1892 fell considerably below that of 1891. Only 182 miles of new railways were opened in the whole of the Austrian Monarchy, whereas in the preceding year more than 600 miles were opened, and of the new lines opened only one-third is on Austrian ground, whereas the rest were Hungarian. Of the whole Austrian net of railways which, in 1892, had a length of 10,281 English miles, not less than 4,350 miles were Government lines. The net receipts obtained by these Government railways were only 1,702,790*l.*, or 2·19 per cent. on the capital invested. In the preceding year the interest was 2·57 per cent. The total capital invested up to the end of 1892 in these Government railways amounted to 85,000,000*l.*

Vienna City Railway.

At last Vienna is to have her city railway, a part of which is to be ready for traffic by the end of 1896. The construction and the working of these railways, which may use either steam or electric power, has been entrusted to the "Steam Tramway Company (Kraus)." Government enacted, however, that all

NEW AUSTRIAN COINAGE

Österreichische Prägung.

Landesgoldmünzen.

Zwanzig-Kronenstücke.

Zehn-Kronenstücke.

Silbermünzen.

Ein-Kronenstücke.

Nickelmünzen.

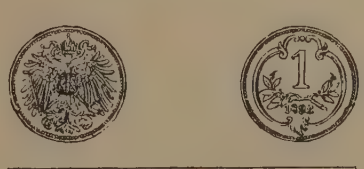
Zwanzig-Hellerstücke

Zehn-Hellerstücke.

Bronzemünzen.

Zwei-Hellerstücke.

Ein-Hellerstücke.



NEW HUNGARIAN COINAGE.

Ungarische Prägung.

Landesgoldmünzen.

Zwanzig-Kronenstücke.

Zehn-Kronenstücke.

Silbermünzen.

Ein-Kronenstücke.

Nickelmünzen.

Zwanzig-Hellerstücke.

Zehn-Hellerstücke.

Bronzemünzen.

Zwei-Hellerstücke.

Ein-Hellerstücke.

building materials, rails, and other railway articles, as well as vehicles and "fundus instructus," must be taken from Austrian works. An exception is only allowed, if proof is shown to the Austrian Minister of Commerce that the home works are not able to effect orders as favourably as works abroad, having special regard to prices, quality, and term of delivery. The railway must be constructed so as to be able to transmit at least 8,000 persons per hour in each direction.

New currency.

By the law, dated August 2, 1892, a new currency was fixed for Austria-Hungary, and instead of the silver currency, which was the legal standard of this country, a gold currency was established, of which the crown (in German, Krone) is the unit. The crown is sub-divided into 100 hellers. Standard gold contains 900/1,000ths of gold and 100/1,000ths of copper. 1 kilo. of coined gold is coined into 2,952 crowns, or 1 kilo. of fine gold into 3,280 crowns. Besides these gold coins the following coins are to be coined:—

1. Silver coins: 1 crown = 50 kr.
2. Nickel coins: 20 hellers = 10 kr.; 10 hellers = 5 kr.
3. Bronze coins: 2 hellers = 1 kr.; 1 heller = $\frac{1}{2}$ kr.

Standard silver contains 835/1,000ths of silver and 165/1,000ths of copper. 1 kilo. of coining silver is coined into 200 pieces at 1 crown. These crowns, therefore, will weigh 5 grammes.

Gold coins at 20 crowns will also be coined for the public. All other coins will only be coined for the State.

Of silver coins 140,000,000 pieces at 1 crown are to be coined, of nickel 42,000,000 crowns, and of bronze 18,200,000.

The crown represents the present value of 50 kr. ($\frac{1}{2}$ fl.) = 100 hellers, and 2 crowns are, therefore, the equivalent of the present florin.

Nobody is bound to accept in payment more than 50 crowns at 1 crown, or nickel coins to a greater value than 10 crowns, or bronze coins up to more than 1 crown in value.

The notes now in circulation, viz., the 1 fl., 5 fl., and 50 fl., issued by the State, will be put out of circulation, and for this purpose both the Ministers of Finance of the two sections of the Monarchy have negotiated gold loans.

The date of the actual effecting of payments in specie (gold) has not yet been fixed. As the premium on gold has lately risen about 3 per cent. to 4 per cent. above the relative value of gold to silver upon which the calculation has been made, this date will probably be a distant one.

A fac-simile of the new coins of the Austrian and Hungarian coinage system is appended.

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FOREIGN OFFICE.

1893.

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No. 1273.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

AUSTRIA-HUNGARY.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF HUNGARY.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 969.

Presented to both Houses of Parliament by Command of Her Majesty,
AUGUST, 1893.

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AUSTRIA-HUNGARY.

BUDA-PESTH.

Mr. Milbanke to the Earl of Rosebery.

My Lord, *Buda-Pesth, June* 30, 1893.

I HAVE the honour to transmit herewith a Summary of the Trade of Hungary for the past year, the figures of which have been taken from the Returns just published by the Statistical Department.

I have, &c.
(Signed) RALPH MILBANKE.

Summary of the Trade of Hungary for the Year 1892.

ABSTRACT of Contents.

	PAGE
Remarks on trade of 1892	1
Value of trade, 1883–92	2
Trade with Austria, &c.	2, 3
Imports and exports, 1891–92	4
Trade with foreign countries	4
Position of main branches of commerce	5
Imports and exports of precious metals	6

Review. The returns published by the Statistical Department show a considerable falling off in last year's exports, which reduced the gross value of the year's trade to above 1,500,000*l.* less than for 1891, though it still exceeded that for 1890 by more than 1,000,000*l.* Nevertheless, the progress of Hungarian commerce must be looked upon as satisfactory, the total trade for each of the last three years having exceeded 1,000,000,000 fl. (about 83,000,000*l.* sterling). The diminution in 1892 was, for the most part, owing to the great reduction in the export of corn, cattle,

and wood. So far as the former article is concerned, this resulted from the fact that in most European countries last year's harvest was far better than that of 1891, so rendering it impossible for Hungary to dispose of its surplus stock of corn at a fair price. The decrease in the export of cattle is attributed to the hindrance to trade caused by the sanitary police regulations, and that in wood to the heavier customs charged in France.

Imports. The total imports for 1892 amounted to over 43,000,000*l.* sterling, and the total exports to over 42,000,000*l.* sterling. The imports show an increase of nearly 1,500,000*l.* over the previous year, while there was a reduction in the exports, accounted for above, of nearly 3,000,000*l.*

Exports. The following table gives the total exports and imports, with the exception of the precious metals, for the last ten years :—

Year.	Value in Millions.		
	Imports.	Exports.	Total.
	£	£	£
1883	39·481	37·877	77·358
1884	40·033	32·404	72·437
1885	37·408	33·012	70·420
1886	34·687	34·820	69·507
1887	36·208	33·544	69·752
1888	37·219	37·365	74·584
1889	38·290	38·380	76·670
1890	40·457	44·177	84·634
1891	41·898	45·434	87·332
1892	43·282	42·471	85·753

Commerce. It will be seen from these particulars that in the period referred to, 1883–92, the commerce of the country increased by over 8,000,000*l.* sterling, and that in the earlier years of this period the imports exceeded the exports, the difference in favour of the former amounting to as much as 7,500,000*l.* in 1884, while since 1888, with the exception of last year, the exports have exceeded the imports.

Naturally the trade with the Austrian Crown lands is the greatest, Austria's share in the total exports amounting to 70 per cent. to 76 per cent., while her part of the total imports, which was formerly 82 per cent. to 86 per cent., is at present 82 per cent. to 83 per cent. There is an increase observable in the trade with Germany, Italy, and Roumania. Hungarian exports consist, for the most part, of cattle and agricultural and animal products, manufactured articles forming but a very small proportion of the whole, while the bulk of the imports is composed of manufactured goods. Certain branches of Hungarian industry, such as mills and sugar works, are paying their way, though their condition leaves something to be desired, while in others, including the machine industry and the manufacture or preparation of wood,

spirits, petroleum, leather, cloth, pottery, and porcelain, glass, paper, and articles of furniture made from iron, marked progress is evident. Indeed, the hope is generally expressed that ultimately Hungary will itself manufacture a great part, if not the whole, of the ordinary articles of consumption required by the country.

At present Austrian manufacturers find a good market in Hungary for their products. They first purchase the raw material there, and a great part of the manufactured article finds a ready sale amongst the Hungarian people later on.

The following table shows the relative proportions of raw material and manufactured goods in the total Hungarian imports for the last five years:—

Year.	Percentage of Raw Materials.	Percentage of Manufactured Articles, &c.
1888	17·57	82·43
1889	18·55	81·45
1890	20·01	79·99
1891	21·82	78·18
1892	21·50	78·50

Raw material.

The proportion of raw material in the imports for 1892 was little more than one-fifth of the whole, that is to say, 11·59 per cent. for products required in the various industries, and 9·91 per cent. for provisions and articles of consumption. The remaining four-fifths, or more exactly, 78·50 per cent., consisted of manufactured articles. On the other hand, raw material forms from 62 per cent. to 66 per cent. of the Hungarian exports, manufactured articles being only 34 per cent. to 38 per cent. Of the raw material exported, 35 per cent. consists of corn and other agricultural produce.

There has been an increase in the export of the following articles:—In mineral substances from 0·80 per cent. to 1·97 per cent.; in textiles from 2·66 per cent. to 2·86 per cent.; in leather from 0·56 per cent. to 0·63 per cent.; in iron and ironware from 1·53 per cent. to 1·78 per cent.; and in machinery, tools, &c., from 0·84 per cent. to 1·13 per cent. A decrease is observable in the export of certain animal products required in industry, as well as in some articles of agricultural produce.

Values.

The value of the imports and exports for the years 1891 and 1892 is given in the following table:—

Country.	Value in Millions.			
	1891.		1892.	
	Imports.	Exports.	Imports.	Exports.
	£	£	£	£
Austria	35·035	34·332	35·626	32·226
Germany	1·637	4·787	2·055	5·036
Servia	1·857	0·552	1·724	0·505
Italy	0·281	0·520	0·693	0·719
Roumania	0·388	0·445	0·541	0·598
Great Britain	0·350	0·947	0·540	0·815
Russia	0·400	0·052	0 394	0·037
Bosnia and Herzegovina	0·343	0·387	0·252	0·314
France	0·118	1·401	0·133	0·709
Switzerland	0·134	0·840	0·108	0·479
Remainder of the Balkan Peninsula ..	0·193	0·225	0·101	0·158
Bulgaria and East Roumelia	0·066	0·147	0·093	0·168
Belgium and Holland..	0·040	0·309	0·050	0·260
Other countries ..	1·053	0·486	0·966	0·446

It will be seen that Hungary receives the bulk of its imports from the three neighbouring countries—Austria, Germany, and Servia. In 1891 the British goods imported amounted only to 0·84 per cent., but last year had increased to 1·25 per cent. of the total imports.

Hungarian exports to Austria are subject to comparatively little fluctuation, and are invariably somewhat less than the imports.

The principal articles imported from Germany were coal, books, undressed hides, machinery, jewellery, woollens, and precious metals. The exports included pigs, barleymeal, Indian corn, feathers, dried plums, wheat, bran, eggs, and wool. Servian imports consisted of oxen, pigs, wheat, lamb and kid skins, and dried plums; the exports to that country being for the most part horses and raw cow hides. The chief import from Great Britain was cotton yarn, the principal exports to that country being flour, and dyeing and tanning materials. From Switzerland watches and silks were imported, the exports consisting of wheat, flour, Indian corn, and eggs. From Roumania wheat, unrefined mineral oil, and raw wool were imported; barges, horses, refined sugar and woollens form the exports. The most important of the Italian imports was wine, after which came building stones and bricks, precious stones, &c., the exports being raw sugar, staves for the manufacture of casks, other wooden articles, and Indian corn. Staves and dried plums were imported from Bosnia and the Herzegovina, which countries received in return flour, refined sugar, and wine in casks. Russia's chief contributions consisted of mineral oil and tar, the principal article of export being wine.

Hungarian commerce with other countries is very small, and does not call for detailed treatment. It may, perhaps, be mentioned that the importation of Brazilian coffee, which in 1890 amounted to no more than 330*l.*, had increased last year to 64,000*l.*

The present position and growth during the last five years of certain of the main branches of commerce is shown in the following table:— Present position of commerce.

IMPORTS.

Articles.	Value in Millions.				
	1892.	1891.	1890.	1889.	1888.
	£	£	£	£	£
Cotton stuffs	4·422	4·218	3·755	3·778	3·772
Woollens	3·068	2·879	3·632	3·378	3·263
Silks	1·441	1·193	1·132	1·157	0·998
Jewellery...	1·298	1·046	0·877	0·650	0·585
Wine in wood	1·053	1·979	1·141	0·915	0·972
Cotton yarn	0·920	0·860	0·927	0·860	0·754
Women's clothing, ready-made	0·778	0·744	0·804	0·756	0·847
Coal	0·747	0·780	0·617	0·440	0·397
Machinery in parts	0·746	0·286	0·342	0·390	0·212
Coffee	0·720	0·620	0·672	0·641	0·721
Silk ribbons, &c.	0·740	0·708	0·570	0·701	0·602
Refined sugar	0·658	0·643	0·811	0·882	0·804
Linen	0·620	0·499	0·452	0·522	0·520

In addition to the above there was a considerable import of shirtings, of boots and shoes, ready-made men's clothing, wheat, pigs, linens, sole and upper leather, oxen, rice, mineral oil, and silver ware.

The following table shows the progress made in the more important articles of export during the past five years:—

EXPORTS.

Articles.	Value in Millions.				
	1892.	1891.	1890.	1889.	1888.
	£	£	£	£	£
Flour	5·490	5·622	4·837	4·905	4·582
Pigs	5·160	4·297	4·410	3·152	2·593
Wheat	3·516	5·440	4·722	3·583	4·797
Oxen...	2·425	3·037	3·220	2·386	2·386
Indian corn...	1·444	1·234	0·850	0·838	0·530
Barley	1·397	1·610	2·345	1·332	2·272
Wine	1·396	1·884	1·909	1·720	1·480
Rye	1·280	1·632	1·052	0·788	0·735
Staves for making casks	0·907	1·324	1·042	1·460	1·292
Raw wool	0·860	0·971	1·172	1·637	1·226
Eggs...	0·830	0·675	0·682	0·480	0·449
Tobacco, not manufactured ...	0·764	0·552	0·704	0·576	0·740
Oats	0·627	0·687	0·582	0·564	0·434
Horses	0·540	0·510	0·390	0·418	0·270
Refined sugar	0·535	0·460	0·455	0·460	0·355
Dried plums	0·482	0·350	0·565	0·383	0·507
Refined mineral oil	0·450	0·437	0·518	0·651	0·407
Fresh vegetables	0·437	0·250	0·277	0·105	0·021
Woollen stuffs	0·375	0·385	0·430	0·436	0·444

There was also last year a considerable export of lard, of bed feathers, cotton fabrics, hard wood articles, bran, dead poultry, French beans, spirits, iron ore, and tanning materials.

Most important exports.

As shown by the foregoing table, some of the most important articles of Hungarian export are flour, wheat, Indian corn, barley, and rye. The value of the pigs exported last year shows an increase over 800,000*l.*, while there was a reduction of nearly 600,000*l.* in the value of the oxen exported. There was also a reduction in the export of flour, of wheat, of wine, and of rye.

An increase is observable in the export of the following articles as compared with 1891:—In Indian corn, in eggs, in fresh vegetables, in dried plums, and in refined sugar.

Live stock.

The following table gives the number of heads of live stock of various descriptions exported during the last three years:—

Year.	Oxen.	Cows.	Pigs.	Horses.	Sheep.
	Number.	Number.	Number.	Number.	Number.
1890	186,502	8,989	816,029	12,538	348,921
1891	154,855	9,735	784,146	11,721	194,748
1892	132,276	7,426	1,051,873	17,565	181,174

The imports and exports of precious metals, coined and otherwise, during the past five years, is shown in the following table in 1,000*l.* sterling:—

Year.	Value in Thousands.			
	Imports.		Exports.	
	Gold.	Silver.	Gold.	Silver.
	£	£	£	£
1888	1,515	58	158	11
1889	879	56	259	10
1890	614	583	118	629
1891	729	250	71	122
1892	1,438	195	28	218
Total	5,175	1,142	634	990

Excess of imports.

The excess of imports over exports during the last five years thus amounts to about 4,540,000*l.* in gold, and in silver to about 157,000*l.*

Raw gold.

In this connection it may be mentioned that hardly any raw gold was imported until 1892, when over 876,000*l.* worth was purchased for the new currency. In the period referred to Hungary imported a total of about 4,200,000*l.* worth of gold ready coined, having exported only about 500,000*l.*

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1893.

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AUSTRIA-HUNGARY.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF TRIESTE.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1145.

Presented to both Houses of Parliament by Command of Her Majesty,
SEPTEMBER, 1893.

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1187.	Chefoo	1½d.	1247.	Gothenburg	2d.
1188.	Munich	2d.	1248.	Brindisi	2½d.
1189.	Resht	1d.	1249.	Fiume	2d.
1190.	Batavia	1½d.	1250.	Leghorn	2½d.
1191.	Batoum	1½d.	1251.	San Francisco	5½d.
1192.	Tainan	1d.	1252.	Bushire	2d.
1193.	Amoy	1d.	1253.	Nagasaki	1d.
1194.	Zanzibar	4d.	1254.	Smyrna	1d.
1195.	Corunna	2d.	1255.	Yokohama	1½d.
1196.	Algiers	15½d.	1256.	Stockholm	1½d.
1197.	Pakhoi	1d.	1257.	Lisbon	1½d.
1198.	Nice	1½d.	1258.	Tientsin	1d.
1199.	Kiungchow	1½d.	1259.	Port Said	1d.
1200.	Aleppo	1d.	1260.	Hiogo and Osaka	2½d.
1201.	Stettin	4½d.	1261.	Damascus	1d.
1202.	Swatow	1d.	1262.	Samoa	½d.
1203.	Charleston	2½d.	1263.	Rio Grande do Sul	2½d.
1204	Syra	1d.	1264.	Jeddah	1d.
1205.	New Orleans	2½d.	1265.	Vienna	3d.
1206.	Suakin	1½d.	1266.	Shanghai	3d.
1207.	Caracas	1d.	1267.	Bangkok	1½d.
1208.	Somali Coast	1d.	1268.	Meshed	1½d.
1209.	Nantes	1d.	1269.	Cadiz	2d.
1210.	Tahiti	2d.	1270.	Cherbourg	1d.
1211.	Ichang	3½d.	1271.	Erzeroum	½d.
1212.	Wênchow	1d.	1272.	Christiania	5d.
1213.	Havana	2d.	1273.	Buda-Pesth	½d.
1214.	Cagliari	1d.	1274.	New York	3d.
1215.	Old Calabar	½d.	1275.	St. Petersburg	7½d.
1216.	Foochow	1d.	1276.	Alexandria	1½d.
1217.	Wuhu	1d.	1277.	Tokio	2½d.
1218.	Vera Cruz	1½d.	1278.	Bilbao	½d.
1219.	San José	1d.	1279.	Beyrout	6d.
1220.	Antwerp	1d.	1280.	Pekin	2½d.
1221.	Mogador	2½d.	1281.	Salvador	1d.
1222.	Berlin	1½d.	1282.	Malaga	4d.
1223.	Rome	1d.	1283.	Buenos Ayres	8½d.
1224.	Constantinople	6½d.	1284.	Canton	1d.
1225	Barcelona	2½d.	1285.	Washington	4½d.
1226.	Madeira	5½d.	1286.	Warsaw	½d.
1227.	Söul	1½d.	1287.	Pekin	½d.
1228.	Chinkiang	1d.	1288.	Amsterdam	1d.
1229.	Newchwang	1d.	1289.	Manila	2½d.
1230.	Chungking	1½d.	1290.	Bahia	1d.
1231.	Hankow	1d.	1291.	Munich	1d.

No. 1292.

Reference to previous Report, Annual Series No. 1145.

AUSTRIA-HUNGARY.

TRIESTE.

Consul Haggard to the Earl of Rosebery.

My Lord, *Trieste, August* 17, 1893.

I HAVE the honour to transmit my Trade Report for 1892, which I was unable to send in earlier this year. I have in consequence also embodied in the Report matters of interest which have come to my notice in the first half of 1893.

The Report of the Consular Agent at Lissa is appended.

I have, &c.

(Signed) JOHN G. HAGGARD.

Report on the Trade of Trieste for the Year 1892.

ABSTRACT of Contents.

Trieste—	PAGE
Trade and commerce—	
Coffee	2
Cotton	3
Coal	3
Oak staves	3
Timber	3
Sponges	4
Dye-wood (fustic)	5
Wine	5
Oranges and lemons	5
Corinth Canal	5
Shipping and navigation—	
Increase of British shipping	6
Austrian mercantile sailing shipping	6
Austrian Lloyds' Steamship Company	6
Small steamship companies	6
British shipping	7
Population and industries—	
Population	7
Petroleum refinery	7
Oil-crushing mill	7
London Biscuit Factory	7
Rice peeling	7
Sardine manufactories and fishery	7
Parquet flooring	7
Mines (coal)	8

ABSTRACT of Contents—continued.

	PAGE
Public works—	
Railways	8
Agriculture—	
Market gardening round Trieste	8
Vintage	8
„ in Dalmatia	8
„ Carniola	8
General remarks—	
Abolition of Trieste free port	9
Hungarian bounties on trade	10
Machine for roughing paving stones	10
Trade catalogues, prospectuses, &c.	11
Master's letters	11
Tradesmen's letters	11
Lissa (Dalmatia)—	
Shipping and navigation—	
Steamship lines down Dalmatian coast	12
Population and industries—	
Population	12
Cement manufactory	13
Brick manufactory	13
Spirits and liqueur manufactory	13
Sardine manufactory	13
Mines (coal)	13
Public works—	
Railways	13
Buoys, lighthouses, &c.	13
Agriculture—	
Tobacco	14
Vines	14
Olives	14
Cattle	14
General remarks—	
Wine	14
Insect powder	14
Fruits	14
Rosemary	14
Hides	14
Shipping and commercial statistics	15–19

Trade and Commerce.

During 1891 the statistics showed a decline in the Commerce of Trieste, while for 1892 they showed a small increase, and it is hoped that, with introduction of sundry useful measures, the trade of Trieste may again revive, to the benefit of Commerce.

Coffee. Trieste is the chief seat of the coffee trade of the south of Europe. The imports of this production during 1892 having exceeded those of the previous year by nearly 1,000,000*l.* The export, however, shows a merely nominal increase, so that either a large accumulation lies in the warehouses of this port, or else Austria-Hungary has largely increased its consumption of coffee.

Arbitration. The coffee trade having attained such magnitude, an association of local coffee merchants requested the Trieste Chamber of Commerce to declare itself the seat of a court of arbitration for disputes in the coffee trade. By this means the Trieste market

would be freed from foreign influence and control, as, until the present time, disputes have been referred for arbitration to London or Hamburg.

It is now suggested that the Chamber of Commerce should appoint a commission of 24 experts, thus taking upon itself the administration of arbitration in all matters connected with the coffee trade.

Cotton. The imports of raw cotton show an increase over 1891. Bohemia, the chief seat of the cotton manufacture of Austria, has decided, through the Chamber of Commerce at Reichenberg, that all cotton hitherto imported for industrial purposes into Bohemia from India and Egypt viâ Hamburg shall henceforth be introduced viâ Trieste, which is now the cheaper route, an arrangement having been come to with the railways to make it so.

Coal. A large proportion of the coal used in the Austrian navy is imported from Great Britain. The Trieste Gasworks and the mercantile fleet of the Austrian Lloyds Steamship Company, as well as the Stabilimento Tecnico (ship-building yard), also consume large quantities.

Applications for contracts of English coal for the supply of the Austrian navy should be made through the Austrian naval attaché in London.

Oak staves. There is still a large export from Trieste of oak staves for making barrels. These are sent to all the wine-producing countries of Europe, and also to Tunis. A small proportion find their way to England.

The largest number of staves exported was in 1882, 17,479,652; in 1888 it was 14,453,395, but since that year the export has continually declined. During 1892 the export hardly reached half the last-mentioned total.

Staves for port wine casks. An English firm of wine merchants in Portugal has recently written to the Consulate to inquire if oak staves of a quality suitable for port wine casks, and superior to those generally exported, can be obtained. It has been ascertained that this is quite possible at moderate prices provided a demand could be created. At present the best quality of oak staves is imported from the Baltic by Portuguese wine merchants, but Trieste could compete advantageously with the north by reason of cheaper production and freight.

Timber. It is complained by the Trieste wood merchants that the only way to help the dying timber trade in Trieste would be to reduce the railway freights now in force in Galizia, Bucovina, Transylvania, and Hungary, for Trieste.

The timber of Carintia, Styria, and Carniola consumed in Italy used to be exported exclusively through Trieste. But the Pontebba railway and the adoption of the lowest possible freights for the direct transit of timber from the places of production, viâ Cormons to Italy, diverted the timber trade from Trieste, and sends the wood direct to Ventimiglia, on the French frontier, and to the Italian provinces of Emilia, the Romagna, the Toscana,

and even to Naples; and so Trieste has lost a great part of this trade through the high railway freights still in force. Also the export trade by sea is ill-arranged and suffering from irregular communications from Trieste for sending timber to Port Said by the Austrian Lloyds. Sometimes timber has to wait a very long time before being loaded, so that it may happen that in the meanwhile the order is withdrawn, to the great loss of the merchants. If there was a monthly line for Sicily, Naples, Spain, Port Said, Tunis, and Algeria, the timber trade from Trieste would greatly increase.

As things are, Fiume, Venice, and Galatz are making great competition with Trieste in this branch of commerce. The merchants are therefore urging the Government to reduce the railway freights for timber arriving from Carintia, Styria, and Carniola, and they are striving to induce the Austrian Lloyds to lower their freights also.

It is alleged, on the other hand, by the export shipping agents that one of the great causes of the falling-off in the timber trade through Trieste has been the continual disagreements as to the correct measurement of the timber to be put on board, which is here made in "Venetian inches," and can be only understood by trained experts. The result of this contention is that timber is frequently refused as cargo.

Sponges.

Trieste is the only port in Austria into which virgin sponges are introduced. A large quantity (from 8,000 bales to 9,000 bales yearly) arrive from Greece (Hydra, Aigina, &c.), from Turkey (Gallipoli, Halki, Symi, Calymnos, Mosconissia, &c.), from Africa, and from Tripoli in Syria, &c.

There are three or four manufactories in Trieste where the sponges are sanded and bleached, and then sent to the interior of Austria-Hungary and to Germany, Russia, Belgium, Switzerland, &c. There was formerly a very large trade with England in this commodity, but this is now very restricted, partly because the kind of sponge most in demand in England is not, as a rule, imported into Trieste, and partly because the English travellers now buy direct at the places of production. The price of virgin sponge coming to Trieste has recently risen considerably, on account of the greater demand at the places of production, and owing to their now being frequented by French and American commercial travellers as well as English, &c. The latter circumstance has also caused much of the sponge trade to be diverted from Trieste to New York, especially in the finer qualities. The increased use, too, of American sponges is beginning to have a great effect upon the Levant sponges, which again reacts upon the trade through Trieste, although the Transatlantic article tears easily and cannot be compared to the Levant sponge.

It is alleged to be probable that if the sponge buyers of Europe and America again purchased in Trieste, the price of the virgin sponge might once more fall to its former level, as competition in the Levant would be thus practically abolished. The cleaning, trimming, bleaching, &c., of sponges being also cheap

in Trieste, it is said that the prices even of manufactured sponges would be more moderate.

Notwithstanding the rise in prices, however, the sponge trade of Trieste has increased during the last few years, and the cause is satisfactory, chiefly, it is said, on account of a more widely-spread taste for the luxury of bathing in central Europe amongst the masses of the people.

Austria has also a small native sponge fishery on the coast of Dalmatia to the value of 3,000*l.* or 4,000*l.* yearly, all sponges being sold at Trieste. The entire sponge trade from Trieste to all parts amounted in 1892 to about 176,757*l.*

Fustic wood. Dye-wood.

A considerable quantity of fustic wood is imported into Trieste from Greece for purposes of dyeing, and is thence distributed into the interior of Europe, but none at present appears to be exported from Trieste to England.

Wine.

The importation of Italian wine from the province of Puglie especially, and, indeed, from all the rest of South Italy into Austria through Trieste, has greatly increased since the new Commercial Treaty between Italy and Austria-Hungary came into force.

A great deal of Dalmatian wine too that formerly went to France for mixing with French wines has during the last year been diverted to Trieste for home consumption. But it is said that quite lately several large French houses have made arrangements for reverting to the old system, contracts having been made with the Italian Steamship Company "Puglia" for the regular shipment of Istrian and Dalmatian wine to France.

Oranges and lemons.

The fall in the orange and lemon trade through Trieste is another instance of loss to the commerce of the place through the high railway, and excessive expense of warehousing, freights, since the doing away with the free port. During the last two years this branch of enterprise has been very greatly transferred to Fiume, merchants being badly hit here in consequence. The railway rates from Fiume to the interior of Hungary being now lower and warehousing much cheaper, the greater part of the oranges and lemons that used to be sent to Hungary viâ Trieste now go there through its rival port.

Corinth Canal.

The opening of the Corinth Canal, 6⅓ kiloms. long, will shorten the journey between Athens and Cephalonia by about 16 or 17 hours, and will save ships of over 620 tons about 30*l.* a voyage, from Trieste and to Trieste respectively.

The commerce of Central Europe must inevitably profit thereby, and especially the trade of the ports of Trieste and Fiume. During 1891 the value of the exports through Trieste to Greece, Russia, and European and Asiatic Turkey was over 5,000,000*l.*, while the imports from the same countries through Trieste were worth about 3,500,000*l.*

Shipping and Navigation.

Increase of

During 1892 the direct trade with Great Britain and the

British vessels and decrease in tonnage. Decrease in indirect trade.

Colonies shows some increase in the number of vessels concerned. The tonnage, however, shows a decrease.

The indirect trade with Trieste by British vessels from and to other countries shows a considerable decrease.

Mercantile navy (sailing ships) decline of. Proposed Government bounties.

There has been of late a considerable decline in Austrian mercantile sailing shipping. The Austrian Government, however, stands pledged to assist as far as possible in its recovery as early as circumstances will permit, the Hungarian Government having already done much to improve its mercantile marine during the last year or two.

Austrian Lloyds' Steamship Company.

The Austrian Lloyds' Steamship Company has suffered severely from the prohibition of grain exports from Russia, and from the diminished demand for flour in countries which were accustomed to import from Trieste, freights being thus reduced to very low prices.

Cholera.

The outbreak of cholera was also unfavourable to trade. Cholera restrictions such as quarantine imposed in Greece and Turkey upon arrivals from Austria did much to injure trade connections in 1892.

RETURN of Passengers and Cargoes Carried by Austrian Lloyds' Steamship Company during the Year 1892.

Description.		Quantity.
Passengers carried	Number ..	250,061
Goods carried .. (about)	Tons	267,616

This was 43,857 passengers and 19,484 tons less than in 1891.

New branch lines.

Besides the old lines to Dalmatia, Albania, Constantinople Asia Minor, Black Sea, &c., new sailings were opened by the Austrian Lloyds to the ports of Mersina, Alexandretta, and Burgas. The Austrian Lloyds' Steamship Company also made a contract with the Bulgarian Government (with a subsidy) for a local service between Varna and Burgas, and some other Bulgarian ports; and the great movement of passengers due to the Exhibition of Philippopolis made the financial result of this venture a good one for the company.

Philippopolis Exhibition.

Extensions in East India.

The Indo-China line was extended during 1892 by the prolongation of the existing line to Hong-Kong and Shanghai, and the new branch between Singapore and Soerabaya, which, however, after 10 voyages had to be abandoned as it did not pay.

New vessels.

There were two new steamers ordered in 1891 and finished in 1892; the "Maria Valeria" and the "Gisella" (for the Indo-China line). Of the other two ordered in 1892 the "Vindobona" has been completed (and sent out for the Indo-China line) and the "Marquis Bacquehem" was also ready for sea in June last.

Of two other new steamships of smaller size: the "Trieste," for Adriatic service, is ready, and the "Metcovich" nearly completed.

In January, 1893, the "Milano" was lost.

The Austrian Lloyds' Steamship Company yielded, during 1892, a net profit of 23,472*l.* only.

Besides the Austrian Lloyds' Steamship Company there are but few other Austrian steamship companies with sailings from Trieste, their vessels being also small and only intended for the Istrian and Dalmatian coasting trade. Other small steamship companies.

All the British ships that entered the port of Trieste during 1892 were steamers with the exception of 1 barque. Total 158 vessels, 173,036 tonnage, and 4,226 crew. British shipping.

Population and Industry.

The population of Trieste is continually but slowly increasing. Population.

In 1890 there were 155,471 inhabitants, whilst in 1893 the number rose to 158,314 inhabitants.

Industrial enterprise in this district is exceedingly slow of development. There is no lack of capital, but the inhabitants are wanting in experience and technical knowledge, and to their shyness to embarking in enterprise, of the intimate working of which they have no personal knowledge, is due the present meagre degree of industrial development, for the capitalist here does not care to depend upon the superior knowledge of foreign workmen for the success of trade enterprise. Industrial enterprise. Lack of enterprise.

A few manufactories have, however, been started since the abolition of the free port in 1891; amongst the first of which may be mentioned the great petroleum refinery works at Santa Sabba, a few miles from Trieste, where Black Sea petroleum is so efficiently treated as to compete very successfully with American petroleum in the interior of Austria-Hungary. This undertaking, which is paying a high dividend, has been founded, financed, and managed by Austrians alone. Petroleum refinery.

Besides the above refinery there has been established a mill for crushing seed for oil, also a biscuit factory, under the style of the "London Biscuit Factory," which has been working here for about two years with more or less success. Oil-crushing mill. London Biscuit Factory.

A rice peeling factory has also been started. Rice peeling.

These four enterprises mentioned are the only ones of any importance embarked on in Trieste since the closing of the free port.

There is a sardine fishery of growing importance along the Istrian coast, where the fish are also manufactured. The business belonged to a French company, which sold it in 1892 to the Anglo-Austrian Bank. The bank intends to increase the production of sardines with the view of their introduction into the whole of Austria-Hungary. Sardine manufactories and fishery.

Considerable quantities of parquet flooring are exported Parquet flooring

through Trieste; the squares are manufactured in the interior at no great distance, and are exported in packages of 10 squares, secured by wooden bands. Some of the designs for these are very beautiful, and they are executed with excellent workmanship. The attention of builders in England is drawn to this production. It would probably pay well to import largely into England, as prices are, comparatively speaking, very low. A considerable export trade is, however, already springing up with Anglo-India.

Trade with India.

Mines (coal).

The coal mines of Scardona, in Dalmatia, hitherto but little worked, have now come into the hands of an Austrian company, which intends to greatly extend the industry. Large capital has been necessary in order to develop the mines to produce coal for the whole of the Dalmatian coast trade, and for present foreign demand, also for the Austrian Lloyds orders; but the money has been forthcoming from all accounts. This is a subject of great importance to English interests.

Public Works.

Projected railways.

The Inspector-General of Austrian railways has projected a new line from Spalato to the Bosnian-Dalmatian frontier near Arzano. This line, when completed, will connect with the Bosnian-Herzegovinian Railway, and thus open another access to the Adriatic, which is at present only served in Dalmatia by the Serajevo-Mostar-Metcovich line.

Branch line in Austrian Friuli.

A small branch line is projected in the province of the Austrian Friuli, from Monfalcone to Ronchi and Cervignano, also connecting the small port of Rosega—this will chiefly be of use for the conveyance of agricultural produce.

Branch line from Görz and Aidussina.

Another small branch railway is projected to connect Görz and Aidussina, but it has not yet been settled when it will be commenced.

Agriculture.

Market gardening for supply of the town of Trieste.

The soil of the country in the neighbourhood of Trieste is exceedingly poor, and the entire district is much exposed to the violent north wind called the "Bora," which prevails to a greater or less extent during the whole winter. A small area of land is under vines, and in the immediate vicinity of the town there are considerable market gardens.

Country supplies.

It is, however, from the provinces of the Austrian Friuli, Istria, and Dalmatia, that the chief agricultural products are derived for the supply of Trieste.

Vintage.

From statistics published by the Ministry of Agriculture it would appear that the vintage of 1892 from Trieste, Istria, and the Austrian littoral yielded but a medium, and, in some cases, a very small amount of wine.

Austrian littoral.

Dalmatia.

The crop in Dalmatia was, in the main, a very good one (by the statistics), while in the Tyrol it was partly moderate and partly rich.

In certain districts of Carniola the crop was unusually small; but in two districts it was very good. Carniola.

General Remarks.

There seems to be little doubt that the first consequences of abolishing the free port have been injurious to the town of Trieste, and perhaps to the country at large. Abolishment of the free port.

Opinions given upon the subject are invariably pessimistic, and the Government is already being loudly called on to try and remedy the evil by laying down additional railroads. If this is done, great benefit to travellers, at any rate, will grow out of the loss of the free port, but the pessimists are even then of the opinion that the railways will not cure the harm that has been done to the town and public interests; the unbiassed observer will perhaps draw different conclusions; but whatever further may, or may not, be done, the abolition of the free port will have proved a costly experiment to the Empire before it begins to pay, if it ever does so at all. Opinions respecting pessimistic. New railways called for. Abolition of free port a costly experiment.

To show the very general views held upon this subject, during the month of March, 1893, the Deputy from the Chamber of Commerce of Trieste expatiated in the Austrian Parliament upon the losses suffered by the town of Trieste in consequence of the closing of the Free Port. Speech of Deputy of Trieste Chamber of Commerce in Austrian Parliament.

He stated that, "A great number of the warehouses are empty, and have depreciated so much in value that none can be sold without great difficulty and loss. The bonded warehouses for general stores are also empty, and according to the most recent information the trade of Trieste has lately still further diminished. This port, formerly the fifth in commercial importance, has now fallen to the twenty-fifth!

"When the Free Port was abolished the authorities at Vienna promised their assistance in trying to develop new trade interests. Hitherto, however, a shoemaker and a retail costume house have been the only ventures."

(The Deputy ignored the Petroleum Refining Company, &c., to which allusion has been made on page 7.)

"It is impossible to make Trieste an industrial town; it always has been essentially commercial, and since the opening of the Suez Canal would possess considerable importance as a forwarding centre, were there adequate railway communication with Germany."

He regrets, "the decline of the mercantile navy and the burden of the new taxes, whereby steamers, hitherto taxed according to their tonnage, are to pay henceforth a tax calculated upon their horse-power, which will be probably four times heavier than the old tax. The complaints of Trieste are echoed on the Istrian and Dalmatian coasts. In Dalmatia, Government has done much for the lighting of the interior towns, but the ports remain a desert." Trieste complaints echoed in Dalmatia.

Hungarian efforts to encourage trade.

The Deputy calls attention to "the example of Hungary, which Government has done much to encourage and protect commerce for. A railway connection through the Tauri with the Rodolph Railway westward is absolutely necessary for Trieste. In this way only can the present commercial depression of the port be relieved, and this opinion finds abundant support in its Chamber of Commerce. The avowed friends of Trieste who advocated the closing of the free port, now say that the town itself should build this railway, but it is a national and not local matter, &c." In conclusion he begs the Minister of the Interior "to procure a supplementary credit for the tracing of the Tauri Railway, and trusts that the matter may receive strong support from the Chamber, as it is one of general and not local interest."

Projected railroad a national and not a local matter.

Recent injury to trade of Trieste through Hungarian bounties.

Within the last few months another blow has been aimed at the trade of Trieste to the advantage of that of Fiume, which latter port is day by day monopolising the transit trade of this part of the world.

British shipping interests affected.

The Hungarian Government has lately made an arrangement, which, while, as stated above, it damages Trieste to the advantage of Fiume, at the same time strikes a blow at British shipping which will be severely felt by the parties interested.

Government agreement respecting export of flour.

The arrangement is as follows:—The Government has agreed with all the large mill-owners exporting flour to foreign countries, that the Hungarian State Railways shall pay a rebate on the railway freight from the producing point down to Fiume, of 20 fl. in gold on each car load of flour. To enjoy the advantage of this rebate it is necessary that all flour of the mills in question should be shipped viâ Fiume only, and on board steamers to be provided by the Adria Royal Hungarian Sea Navigation Company. Any mill infringing either of these conditions forfeits the rebate, and undertakes furthermore to pay a fine of 500 fl.

Advantage to port of Fiume.

The rebate comes to something over 4*s.* per ton, and it is easy to understand what an immense advantage this gives both to the port of Fiume and to the Adria Steamship Company. Up till now the great bulk of flour leaving Fiume for foreign countries has been carried in English bottoms, and this may still to some extent remain the case, but as the British shipping can in future only receive the flour from the Adria Steamship Company it stands to reason that the owners are practically bound to agree to any conditions it may suit that company to impose.

British shipping bound to come to terms with Adria Steamship Company.

Great injury to trade of Trieste.

As far as Trieste is concerned the effect of the measure has been disastrous, and measures of reprisal are called for by merchants here, but there seems at present to be little prospect of the Austrian Government taking any steps in the matter.

Machine for roughing paving flags needed.

There is an opening for mechanical ingenuity in the direction of the street paving of Trieste.

The whole of this large town is paved with solid blocks of limestone of great massiveness and weight. The blocks are laid down close together, and are from 3 feet to 6 feet long by 15 inches wide, and the same deep. From the great size and flatness of these stones it is necessary from time to time to rough them by

hand, in order to afford foothold for animals. This work is performed at present by gangs of men armed with mallet and chisel. The process is exceedingly slow, the labour and expense considerable, and the waste of stone very great.

Moreover, the work is not unattended with danger to passers by from the sharp chips which fly in every direction.

Light portable machine required.

What is required is a light portable machine, with engine, to travel and chip the stones at speed, somewhat perhaps after the system of the stamps used in ore crushing, but placed slanting. The inventor of any such machine would probably find profitable sale for it.

Trade catalogues in foreign languages

The Consul at Trieste having found a difficulty in satisfactorily placing the number of catalogues, prospectuses, trade notices, price lists, &c., addressed to Her Majesty's Consulate from England, in the hands of merchants, tradesmen, and others likely to be interested in them, and considering that they were seldom if ever asked for for reference whilst in the Consulate, and that they were consequently wasted, has recently been in communication with Baron Reinelt, the President of the Chamber of Commerce in Trieste, upon the subject, with the result that the President has consented to their being placed on the public table of that institution, and he has further kindly undertaken, with a view of benefiting trade, from time to time to draw to them the attention of the merchants and tradesmen most likely to make use of them, according to the nature of the publications and branches of trade they advertise. The Consul will accordingly be glad to receive any number of catalogues to be forwarded to the Chamber of Commerce in the above manner, but he cannot too strongly advise that they should be printed in the Italian or German language, but preferably in Italian for Trieste.

Master's letters containing manifest.

The Consul is frequently applied to by some of the shipbrokers in Trieste to deliver to them letters, addressed to the masters of expected vessels, which the brokers suspect to contain the ship's manifest, &c.

Consul unable to deliver them to brokers.

It appears that the brokers are considerably convenienced at the custom-house by an early possession of these documents; but, on the other hand, it is generally impossible for the Consul to deliver up to unauthorised persons what may be, for all he knows, the master's private correspondence (and it is clearly against his instructions to do so); but if he does, it is equally irregular for the brokers to open such letters without the master's authority.

Letters often contain confidential documents.

Further, these letters, with the manifests, may, and it is believed often do, contain in addition documents it would be against the owner's interests that the shipbrokers should see at all.

A request to Consul to deliver them advisable.

Under these circumstances, when letters addressed to the master of an expected vessel are sent to the care of the Consul in Trieste containing the manifest, &c., and it is desired that those letters should be delivered to the shipbroker if the vessel has not arrived, it is advisable that the letters should be sent under cover to the Consul, with a request that he will so deliver them, upon application for them being made; but the name of the ship-

Name of ship-broker to be specified.

broker to be employed by that ship should be specified to the Consul, or the broker would otherwise have even then to show some authority to receive the letters before they could be delivered to him.

Better still to send direct to shipbroker.

A better plan still would be to send the manifest, &c., direct to the broker, and not to the Consulate at all; but, of course, this cannot always be done, as the broker's name may not be known to the sender of the letters.

Tradesmen's letters.

Letters should be addressed to "The British Consul."

Merchants and tradesmen writing to the Consul for information should address their correspondence to "The British Consul," and not to the Consul by name. In the former case the letters will be opened and attended to by whatever Consular officer may be in charge; in the latter the letters have frequently to be forwarded on to gentlemen who have perhaps been transferred to other Consulates, or who may have left the Consular service.

Lissa (Dalmatia).

Mr. Consular Agent Serafino Topich reports as follows:—

Shipping and Navigation.

Sailing vessels.

Steamships.

On the Dalmatian coast the mercantile marine (sailing ships) has of late years continually fallen, and if the Government does not help with subsidies it will totally disappear, whilst on the whole of the Dalmatian coast, trade by steamships is continually increasing.

Lines of steamships down Dalmatian coast.

Trade increasing.

Many Austrian steamship companies have established direct lines between Trieste and Fiume, and down the whole coast of Dalmatia to Cattaro, also to Albania and Corfu, and to Bari, and to other ports of South Italy. Therefore, as nearly every small village situated on the coast is daily in direct communication with the centres, the natural and immediate consequence is that trade is continually increasing, and the products of the soil (amongst which first of all is wine) are exported to the great profit of the province.

Austrian steamship companies.

The steamship companies employed in this trade are—the Austrian Lloyds' Steamship Company, the Hungarian Croat Company at Fiume, the Steamship Company of the "Societá di Navigazione a Vapore Ragusea" (with 6 vessels), the Steamship Company "Navigazione Fratelli Rismondo," of Macarsca (with 5 vessels), the Steamship Company "Serafino Topich and Co. Line," of Lissa (with 5 ships), and several vessels of other small steamship companies which are running between the continent and Dalmatian Islands.

Population and Industries.

The population of Dalmatia in 1890 amounted to 502,000,

which regularly increases, although emigration during the last few years has been considerable.

Public health. The public health has been during 1892 perfect in the whole of Dalmatia; this can be also said of former years, as no epidemic has ever occurred.

Cement and brick manufactory. At Spalato there is a cement, and at Ragusa a brick manufactory.

Spirits and liqueurs. At Sebenico and Spalato there are spirit and liqueur manufactories, but for the liqueur called "Maraschino di Zara" (Rosolio), Zara is the chief place of manufacture.

Maraschino. Some good houses have introduced this article into the markets of the world, and the liqueur best known (from Dalmatia) is "Maraschino."

Sardine. In 1892 the firm of Warhanek erected at Comisa (a small place in the island of Lissa) a sardine manufactory, and since then two other similar establishments have been started. The French "Societá di Conserve Alimentari" has now been taken over by the Anglo-Austrian Bank (Trieste branch), and the firm Degrassi, of Isola (Istria), has now also a sardine manufactory at Comisa.

The salted sardine manufactory at Lissa, belonging to the firm of Antonio Topich is flourishing, as well as the new one started by the firm of Fratelli Mardessich.

The sardine fishery on the island of Lissa was, in 1892, 25,000 barrels, and from the rest of Dalmatia another 10,000 barrels.

The prices were, for those of Lissa, from 12 to 13 Austrian florins for every barrel of 56 kilos. For those of the other ports somewhat less.

Mines, coal. There are two coal mines on the Dalmatian coast—that of Siveric and that of Scardona. They are now very productive, the quality is not bad, and much of their coal is consumed in Dalmatia for the use of steamships. It is now also exported to Italy for manufactories, &c.

Dalmatian coal now exported.

Public Works.

Railways. The province of Dalmatia is very poor in railways. There is only the line, "Spalato-Dernis-Knin," and the line "Percovic-Sebenico," which, for economical and political reasons, have never been extended so as to join Dalmatia with Croatia; therefore, besides being run at a loss, they are of no use to commerce.

Spalato-Dernis-Knin. Percovic-Sebenico.

Metcovich-Mostar. During 1892 the line, "Metcovich-Mostar," has been extended to Serajevo, and consequently joined to the Bosnia Railway system; consequently, Metcovich (which is the natural port for Bosnia and Herzegovina) is becoming daily more important for import and export trade.

Buoys, light-houses, &c. The Marine Board at Trieste, although it has had but small means at its disposal during the last 10 years, has done a great deal to the advantage of the province of Dalmatia. The ports which Dalmatia is so rich in are fairly well buoyed and lighted, and are accessible even to the largest vessels.

Agriculture.

The mountain range of Dalmatia is rich in plains and very fertile fields, but does not produce as much as it should do. This is chiefly owing to the lazy and indolent nature of the peasantry, who do not like too hard work, and, therefore, cultivate only Indian corn, hay, and other products of small value, which leaves them always poor. For some years, therefore, the Government has granted permission to grow tobacco; this is now being cultivated on a large scale, giving good results, the quality being no doubt the best in the Empire.

Permission granted to plant tobacco.

Vines.

Olive.

In the neighbourhood of Zara and Spalato vine growing is increasing more and more. On the littoral and in the islands the vine and the olive are cultivated nearly exclusively. The population of these districts is very industrious, and liking work, is engaged in fishing and agriculture at the same time, and it gives to the State numbers of strong and good seamen.

Cattle.

Of the large trade in cattle, horses, sheep, and she-goats which exists between Dalmatia, Trieste, and Italy, only one-third may be calculated as coming from Dalmatia, whilst two-thirds comes from Bosnia and Herzegovina, which are the great breeding places, the beasts only passing through Dalmatia to the ports for shipment.

General Remarks.

Wine. Reduced supply in 1892.

On account of disease (peronospera), drought, and storms, the wine produced during 1892 amounted only to about 1,200,000 hectolitres, whilst during 1891 it was about 1,600,000 hectolitres.

Besides fine qualities, there are black, used for mixing wines, and black ordinary table wine.

Spalato wine most suitable for mixing.

Of the wines for mixing, the best is that from Spalato and its neighbourhood.

Lissa wine best for the table.

For ordinary table wine the best is that of Lissa.

Injury to Dalmatia caused by late treaty with Italy.

On August 27, 1892, the new treaty with Italy came into force, which reduces the duty to only 3 fl. 20 kr. in gold for every Brutto quintal, which facilitates the importation of Italian wine into Austria. This has caused remonstrances but in vain, and the concession to Italy (to the sole advantage of Hungary) has done great damage, especially to Dalmatia, by causing a depreciation of its principal product, which is wine.

Olive.

The output of olive oil also was scanty during 1892.

Chrysanthemum. Less demand for insect powder.

The same can be said of the chrysanthemum (Dalmatian insect powder plant), the cultivation of which is daily decreasing on account of less demand, as naphthaline and other substitutes, which are cheaper, are competing with the chrysanthemum.

Fruits. Rosemary.

The crop of fruit and rosemary (for essence) was also small during 1892.

Hides.

In untanned hides the trade during 1892 was very large from Dalmatia.

Shipping and Commercial Statistics.

RETURN of all Shipping at the Port of Trieste during the Year 1892, compared with 1891.

	1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Entered..	7,835	1,474,865	7,706*	1,472,214

* Of which 3,886 sailing; 3,820 steamers.

So that during 1892 there was a diminution of 129 vessels, with 2,651 tons.

	1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Cleared..	7,785	1,478,180	7,637*	1,463,127

* Of which 3,833 sailing; 3,804 steamers.

There was a diminution, therefore, in 1892 of 148 vessels, with 15,053 tons.

DIRECT Trade in British Vessels from and to Great Britain and British Colonies during the Year 1892.

ENTERED.

Year.	Number of Vessels.	Tons.	Crew.
1891	147	178,275	4,259
1892	158	173,036	4,226

CLEARED.

Year.	Number of Vessels.	Tons.	Crew.
1891	92	111,576	2,654
1892	97	110,389	2,595

INDIRECT or Carrying Trade in British Vessels from and to other Countries during the Year 1892.

ENTERED.

Year.	Number of Vessels.	Tons.	Crew.
1891	57	73,088	1,658
1892	28	36,149	754

CLEARED.

Year.	Number of Vessels.	Tons.	Crew.
1891	114	144,272	3,289
1892	75	96,066	1,952

RETURN of Principal Articles of Import during the Years 1891–92.

Articles.	Value.	
	1891.	1892.
	£	£
Textile	4,239,909	4,250,080
Coffee	2,882,425	3,854,638
Tea	165,798	217,502
Cotton, raw	2,163,104	2,257,107
Fruits, oranges, &c.	1,171,176	1,322,440
Wood and timber	1,125,975	1,190,579
Sugar, raw and refined	857,389	1,185,709
Tobacco	1,069,858	1,150,119
Wine	808,435	1,119,742
Hats, felt and silk	811,568	800,746
Hides	808,435	790,421
Arms	49,166	129,902
Iron and iron goods	457,892	471,070
Hardware	262,270	246,615
Machines and parts of machinery	192,537	148,691
Flour and meal	432,017	438,788
Coal and coke	114,424	121,415
Indigo	315,704	364,914
Silk	80,580	332,025
Cotton-seed oil	270,943	311,903
Olive oil	326,776	293,197
Grain	447,324	286,004
Sponges	208,080	261,453
Cattle (oxen)	247,413	256,399
Spirits, &c.	313,014	226,036

NOTE.—*l.* in this and all the subsequent tables has been calculated at 12 Austrian fl.

RETURN of Principal Articles of Export during the Years 1891–92.

Articles.	Value.	
	1891.	1892.
	£	£
Textile	4,012,664	3,618,165
Coffee	3,257,958	3,299,507
Tea	156,192	214,105
Cotton, raw	2,132,012	2,263,048
Fruits, oranges, &c.	1,169,596	1,290,136
Wood and timber	1,156,929	1,061,082
Sugar, raw and refined	1,049,627	1,145,336
Tobacco	816,312	866,962
Wine	751,081	811,800
Hides	764,926	807,183
Arms	69,164	136,298
Iron and iron goods	296,735	248,180
Hardware	292,931	288,670
Machines and parts of machinery	76,441	114,365
Flour and meal	496,905	430,660
Indigo	303,558	363,933
Cotton-seed oil	129,044	122,850
Sponges	193,091	176,757
Spirits	328,908	278,421
Olive oil	510,230	491,988
Valonea	370,934	399,017
Wooden goods	188,261	217,492
Beer..	156,239	149,840
Rice..	139,382	147,301
Mineral oil..	235,335	205,190
Drugs	242,632	177,792
Musical instruments	69,709	60,999
Chocolate	..	8,626
Glass and mirrors	149,041	156,561

Commercial Movements of Trieste by Sea according to Nationalities during the Years 1891–92.

Imports.

Nationality.	Value.	
	1891.	1892.
	£	£
Austro-Hungarian	8,490,130	9,585,780
British	2,498,926	2,095,518
Danish	..	..
Dutch	..	..
French	2,084	347,008
German	613,279	518,368
Greek	363,694	341,473
Italian	1,618,911	2,435,829
Montenegrin	1,927	2,240
Portuguese	..	..
Russian	124,570	158,010
Samian	..	932
Spanish	..	..
Swedish-Norwegian	155,116	157,454
Turkish	29,384	20,308

Exports.

Nationality.	Value.	
	1891.	1892.
	£	£
Austro-Hungarian	10,236,198	10,133,182
British	817,510	637,177
Danish	..	4,223
Dutch	..	3,606
French	913	41,706
German	88,731	60,238
Greek	400,427	429,487
Italian	1,828,457	1,691,505
Montenegrin	6,689	4,804
Portuguese	..	..
Russian	5,806	1,281
Samian	1,678	..
Spanish	..	..
Swedish-Norwegian	80,760	53,432
Turkish	28,000	22,946

TABLE showing the Total Value of the General Imports during the Years 1891–92.

Year.	Value.		
	By Sea.	By Land.	Total.
	£	£	£
In 1891	13,897,973	13,172,599	27,070,572
1892	15,662,897	13,804,749	29,467,646

TABLE showing the Total Value of the General Exports during the Years 1891–92.

Year.	Value.		
	By Sea.	By Land.	Total.
	£	£	£
In 1891	13,495,168	11,393,134	24,888,302
1892	13,083,589	12,036,027	25,119,616

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1892.

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REPORT FOR THE YEARS 1891-92

ON THE

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BAVARIA.

MUNICH.

Mr. Drummond to the Earl of Rosebery.

My Lord, *Munich, October* 10, 1892.

I HAVE the honour to inclose herewith a Report upon the Finances of Bavaria and Bavarian Banks, drawn up by Mr. Horace Helyar, Second Secretary to Her Majesty's Legation.

The Report has been collected with great care and attention to its correctness. It shows in general the prosperous condition of Bavaria, the increase of revenue in six years amounting to 26 per cent., an average yearly increase of 4·4 per cent.

If expenditure has materially increased it has not reached the increase in revenue.

A surplus in the two years, 1888–89, of 3,423,474*l.* shows the admirable administrative capacity of the Minister of Finance, Baron von Riedel, and there is every reason to believe that the years 1890–91 will also show a large surplus.

The statement made in regard to Bavarian banks gives a good report of the general increase in their business, showing that the general financial position of the country is sound, and the marked increase in sales of real property indicate the wealth of the Kingdom of Bavaria in spite of depression in trade. Like many other countries, it is observed that local taxation is progressively increasing, which has caused the Ministry of the Interior to issue a warning to the local authorities to exercise a greater economy in their outlay.

I have, &c.

(Signed) VICTOR W. DRUMMOND.

Report on the Finances of Bavaria for 1892 *and on Bavarian Banks in* 1891.

Abstract of Contents.

	Page
General remarks	2
Revised accounts of the 19th financial period, 1888—receipts	3
„ „ „ „ „ —expenditure	4
„ „ „ 1889—receipts	5
„ „ „ „ —expenditure	6
Surplus for 19th financial period	6
20th financial period	7
21st „ —disposal of surpluses	7
„ „ —provisional surplus of 1890	8
„ „ —unexpended remainder of loan of 1879	9
„ „ —receipts	10
„ „ —expenditure	11
Alterations made by the Chambers in original Budget estimates	12
Army estimates	12
State railways	13
Rates of direct taxes	13
Debt	14
Service of the Debt for the 21st financial period	16
General Debt	16
Railway Debt	16
Land Rent Debt	16
Agricultural Rent Debt	16
Banks	17
Local taxation and local debts	18
Financial position of Bavaria satisfactory	19

General remarks.

The finances of Bavaria have been advancing for the last few years, not, indeed, "by leaps and bounds," but with rapid strides.

The revised accounts for 1887 closed with a total of revised expenditure amounting to 245,946,302 marks (12,115,581*l.*), as was shown in my report of 1890.*

The estimates for the 19th financial period, 1888–89, balanced at 260,037,121 marks (12,809,710*l.*), and the revised accounts for that period show a surplus on the two years of no less than 68,469,483 marks (3,423,474*l.*).

The estimates for the 20th financial period, 1890–91, balanced at 280,291,642 marks (13,807,470*l.*).

And the estimates for the 21st financial period, 1892–93, balance at 306,292,271 marks (15,314,609*l.*).

We thus find a steady increase in the Bavarian revenues of some 4·4 per cent. per annum, or 26·4 per cent. in six years.

The principal items of revenue which have contributed to swell the volume have been the customs and indirect taxes, the postal and telegraph services, and the State railways, the receipts under which heads have all heavily increased, a significant indication of the general prosperity of the country.

The Bavarian debt has been reduced during the last two years by the comparatively trifling amount of some 5,000,000 marks (250,000*l.*).

But it is to be considered that during the last few years large sums have been spent out of the recurring surpluses of Bavaria on

* See Diplomatic and Consular Reports on Trade and Finance, No. 795, Annual Series.

what would in most countries be made the object of capital expenditure, such as railway improvements, public works, and buildings, which will be further detailed later in this report.

The ordinary expenditure has likewise considerably increased in the period under review, but as the surpluses show, not quite in proportion to the receipts.

The railway outgoings, the quota paid to the Empire, and the postal and telegraph services, together with the various branches of the Ministry of the Interior, which includes public worship and instruction, show the greatest tendency to increase.

In spite of the satisfactory condition of the Bavarian finances some anxiety is felt in parliamentary circles as to the immediate future, owing to the shadow cast by the coming increase in the German Imperial military budget.

Another indication of the generally prosperous condition of Bavarian finance and Bavarian capital lies in the satisfactory returns of the Bavarian banks.

Revised accounts of the 19th financial period.

I now come to the revised accounts for the 19th financial period.

The following are the main headings (revised) of receipts and expenditure for 1888 :—

I. Receipts.

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
Surplus from the 18th period	105,752	5,288
Direct taxes	27,591,142	1,379,557
Succession duty, &c.	24,679,396	1,233,970
Customs and indirect taxes	66,832,818	3,341,641
Mines, smelting and salt works	6,870,348	343,518
Mint establishment	337,582	16,879
Rent from Nürnberg Bank	491,109	24,555
State railways	99,959,682	4,997,984
Post and Telegraph Services	16,817,600	840,880
Lake of Constance Steamboat Service ..	505,613	25,280
Ludwig Danube-Main Canal	112,888	5,644
Frankenthaler Canal..	6,700	335
Law and Regulations Gazette	62,504	3,125
Forest, Chase, and Cattle Administration ..	26,910,406	1,345,520
Savings and business receipts	2,066,854	103,343
Land rents	7,342,289	367,115
Interest, rents, and casual receipts	926,574	46,329
Receipts for the benefit of the State Institution for Widows and Daughters of State Employés	307,940	15,397
Interest paid to and returned by the Pfalz Railways	55,096	2,755
Total	281,982,302	14,099,115

The revised expenditure for 1888 was as follows:—

Expenditure.

II. EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
A. Administrative expenditure in respect of—		
Direct taxes	853,840	42,692
Succession duty, &c.	756,613	37,831
Customs and indirect taxes	10,123,866	506,193
Mines, smelting and salt works	5,940,855	297,043
Mint	280,041	14,002
State railways	55,151,833	2,757,592
Post and Telegraph Service	14,556,811	727,841
Lake of Constance Steamboat Service	365,327	18,266
Ludwig Danube-Main Canal	207,522	10,376
Frankenthaler Canal	8,039	402
Law and Regulations Gazette	33,099	1,655
Forests, Chase, and Cattle Administration	13,340,752	667,038
Savings and business receipts	1,344,843	67,242
Institute in aid of widows and daughters of deceased employés	2,534	126
Land rents	177,929	8,896
Dividends and special receipts	10,498	525
Total (A)	103,154,407	5,157,720
B. Supply services—		
Royal household	5,647,807	282,390
Public Debt	53,761,860	2,688,093
Council of State	35,300	1,765
Parliament	725,884	36,294
Ministry of Foreign Affairs	566,988	28,349
„ Justice	12,740,376	637,019
„ the Interior	18,561,141	928,057
„ Religion and Public Instruction	21,254,494	1,062,725
Ministry of Finance	3,550,180	177,509
Quota paid to the Empire	30,092,326	1,504,616
Pensions to civil servants	5,765,470	288,273
„ widows and orphans	2,955,639	147,782
Grant in aid for civil servants, &c.	542,689	27,134
Railways of the Pfalz	..	..
General reserve fund	85,043	4,252
Total (B)	156,285,204	7,814,260
„ (A)	103,154,407	5,157,720
Grand total	259,439,612	12,971,980

There was thus a surplus of 22,542,690 marks (1,127,135*l.*) on the year 1888.

It must be remarked that in addition to the sums collected under the head of indirect taxes and customs a sum of 4,332,520 marks (216,626*l.*) (not included in the budget) was raised under the same head and paid over to the Empire.

Turning to the revised accounts of 1889 the figures are—

Revised accounts for 1889. Receipts.

I. Receipts.

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
Surplus from the 18th financial period ..	105,752	5,288
Direct taxes	27,832,661	1,391,633
Succession duty, &c.	26,943,045	1,347,152
Customs and indirect taxes	78,902,659	3,945,133
Mines, smelting, and salt works	7,604,768	380,238
Mint establishment	336,781	16,839
Rent from Nürnberg Bank	664,902	33,245
State railways	106,005,224	5,300,261
Post and Telegraph receipts	17,978,177	898,909
Lake of Constance Steamboat Service ..	485,751	24,288
Ludwig Danube-Main Canal	106,998	5,350
Frankenthaler Canal	6,525	326
Law and Regulations Gazette	62,925	3,146
Forest, Chase, and Cattle Administration ..	27,919,771	1,395,989
Savings and business receipts	2,397,789	119,889
Land rents	7,335,128	366,756
Interest, rents, and casual receipts	887,532	44,373
Return by Pfalz railways of interest ..	476,138	23,807
Receipts for the benefit of the State Institution for Widows and Daughters of State Employés	315,172	15,759
Total	306,367,706	15,318,385

Expenditure.

II. Expenditure.

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
A. Administrative expenses in respect of—		
Direct taxes	719,266	35,963
Succession duty, &c.	791,628	39,581
Customs and indirect taxes	10,980,109	549,005
Mines, smelting, and salt works	6,664,671	333,234
Mint	259,106	12,955
Railways	58,308,007	2,915,400
Postal and Telegraph Services	15,073,499	753,675
Lake of Constance Steamboat Service	397,090	19,855
Ludwig Donau-Main Canal	208,666	10,433
Frankenthaler Canal	7,875	394
Law and Official Gazette	40,574	2,029
Forests, Chase, and Pastures Department	13,625,255	681,263
Savings and business receipts	1,688,783	84,439
Land rents, &c.	176,363	8,818
Rents, dividends, &c.	11,987	599
Institute for Widows, &c.	2,671	134
Brought forward from 1888	69,837	3,492
Total (A)	109,025,394	5,451,269
B. Supply services—		
Royal household, &c.	5,525,189	276,259
Public Debt	48,912,333	2,445,617
Council of State	26,621	1,331
Parliament	81,270	4,063
Foreign Affairs	562,691	28,135
Justice	12,802,054	640,103
Interior	19,362,219	968,111
Public Worship and Education	21,873,097	1,093,655
Finance	3,551,771	177,588
Quota paid to the Empire	29,399,273	1,469,964
Pensions of the 1st, 2nd, and 3rd class	9,423,428	471,171
General reserve	276,135	13,807
Total (B)	151,796,087	7,589,804
„ A)	109,025,394	5,451,269
Grand total	260,821,481	13,041,073

Besides the above total receipts for 1889 of 306,367,706 marks (15,318,385*l.*), an additional sum of 380,569 marks (19,029*l.*) has to be added for various supplementary receipts, repayments and items transferred from 1888, making in all a total revenue for 1889 of 306,748,275 marks (15,337,414*l.*).

Surplus for 19th financial period.

These figures show, as stated by Baron Riedel in the Second Chamber, a surplus for 1888 of 22,542,690 marks (1,127,135*l.*), and for 1889 of no less than 45,926,793 marks (2,296,339*l.*), or a total surplus for the 19th financial period of 68,469,483 marks (3,423,474*l.*), composed of an increase of revenue of 59,474,962 marks (2,973,748*l.*), and a saving in expenditure of 8,994,521 marks (449,726*l.*). Of this surplus the sum of 11,108,718 marks

(555,436*l.*) was disposed of by laws already passed (see p. 10 of my report of 1890), while 57,360,765 marks (2,868,038*l.*) will be found accounted for under the heading of the 21st financial period.

The principal items which went to swell this large surplus were—

A. Increased receipts during 1888 and 1889: 25,400,000 marks (1,270,000*l.*) increase from railways and the postal and telegraph services, &c.; 12,700,000 marks (635,000*l.*) from customs and indirect taxes; 6,200,000 marks (310,000*l.*) from increased receipts due to economies in mines, and smelting and salt works, &c.; 12,976,000 marks (658,800*l.*) surplus on fees, stamps, &c.; and a small surplus was also produced from the direct taxes.

B. Diminished expenditure:

There was a diminution in the service of the public debt and some minor savings.

Before turning to the next financial period it should be mentioned that an unusual number of special items of expenditure were met out of the general reserve. For instance, 64,000 marks (3,200*l.*) for the purchase of a custom-house at Beyreuth, 30,000 marks (1,500*l.*) for the purchase of a forest department office at Klaushof, and many others.

20th financial period, 1890-91.

The revised accounts for the 20th financial period will in due course be presented next year.

21st financial period, 1892-93.

Disposal of surpluses.

The Finance Law of May 26, 1892, commenced by providing for the disposition of the surpluses of previous years. The sum of 42,646,300 marks (2,132,315*l.*) which it had been intended to raise by loan, authority for the purpose having been taken, is supplied instead out of the surplus of the 19th financial period. The purposes to which it is applied are the building of local railroads, for doubling the main lines of rail, and for augmenting the rolling stock of the Bavarian State railways.

A further sum of 700,000 marks (35,000*l.*) is taken from the same surplus for establishing a railway fund to meet provisionally the purchase of ground for railway purposes.

It should be mentioned in connection with this large railway expenditure that the works in question have already been undertaken, and in most cases carried out. Consequently it represents the payment of past expenses, not an advance for future improvements.

A further sum of 13,973,967 marks (698,699*l.*) is taken from the same surplus and applied to the following various purposes:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
For building new post offices and other similar purposes	5,007,565	250,378
For building prisons, law courts, &c. ..	1,008,900	50,445
„ street and river improvements, &c ..	3,250,000	162,500
„ university and school buildings, &c. ..	3,987,500	199,375
„ new buildings under the control of the Ministry of Finance	720,000	36,000
Total	13,973,967	698,698

Provisional surplus of 1890.

From the provisional surplus of 1890 the following sums are taken and applied.

First a sum of 3,814,260 marks (190,713*l.*), distributed as follows:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
Buildings for postal and steamboat accommodation	659,700	32,985
For improvement of river, harbours and building a gendarmerie school	1,779,500	88,975
First instalment towards the new National Museum in Munich	1,100,000	55,000
School buildings	154,460	7,723
Buildings under control of Ministry of Finance	659,700	32,985
Total	3,814,260	190,713

Secondly, a sum of 526,100 marks (26,305*l.*) for improvements in the buildings used by the Bavarian Parliament.

Thirdly, a sum of 100,000 marks (5,000*l.*) for repairs and improvement of various churches.

Lastly, a sum of 8,000,000 marks (200,000*l.*) is taken from the surplus of 1890 and distributed among the towns and communal districts of the kingdom in proportion to the amount paid by each in direct taxes and in accordance with the following table:—

	Amount of Payment in Direct Taxes.				Sums to be Refunded.	
	From—		To—		Currency.	Sterling.
	Currency.	Sterling.	Currency.	Sterling.		
	Marks.	£	Marks.	£	Marks.	£
Under	...	...	20,000	1,000	14,000	700
	20,000	1,000	40,000	2,000	22,000	1,100
	40,000	2,000	60,000	3,000	24,000	1,200
	60,000	3,000	100,000	5,000	26,000	1,300
	100,000	5,000	140,000	7,000	28,000	1,400
	140,000	7,000	200,000	10,000	34,000	1,700
	200,000	10,000	300,000	15,000	42,000	2,100
	300,000	15,000	400,000	20,000	50,000	2,500
Würzburg					60,000	3,000
Augsburg and Nürnberg (each)	...	...	...	...	70,000	3,500
München	...	...	...	...	80,000	4,000

These sums are to be placed to a capital account and the interest thereon employed in works of general usefulness and benevolence.

Unexpended remainder of loan of 1879.

It should also be mentioned that the sum of 22,108,320 marks (1,105,416*l.*), which is the unexpended remainder of the loan of 1879, again stands over during the 21st financial period as part of the disposable assets of the State. Part of this loan was replaced by exchequer bills, and a further issue of six months bills was authorised, but only in renewal of such as might expire.

Revenue and expenditure for 1892-3. 21st financial period.

The receipts and expenditure, as fixed by the Finance Law of May 26, 1892, was as follows :—

Receipts.

I. Receipts.

Description.	Amount.			
	Currency.	Sterling.	Currency.	Sterling.
	Marks.	£	Marks.	£
Surplus from the 20th period	...	...	20,249	1,012
Direct taxes—				
Land tax	11,506,000	572,530		
House tax	5,247,000	262,350		
Trade tax	6,713,000	335,650		
Securities tax	4,170,000	208,500		
Income tax	2,065,000	103,250		
			29,701,000	1,485,050
Succession duty, fee and stamp tax and fines—				
Succession duty	2,100,000	105,000		
Fee and stamp tax	18,575,600	928,780		
Fines	582,600	291,300		
			21,258,200	1,062,910
Indirect taxes—				
Malt tax	36,251,900	1,812,590		
Bavaria's share of the Imperial brandy excise	11,940,000	597,000		
Bavaria's share of the Imperial customs and tobacco duty	22,100,000	1,105,000		
Compensation from the Imperial Exchequer for the collection of customs and taxes	3,376,650	168,833		
Custom receipts of Bavaria proper, *e.g.*, harbour and minor receipts	94,950	49,475		
Dog tax	1,240,000	62,000		
Miscellaneous	90,450	45,275		
			75,093,950	3,754,697
Mines, smelting, and salt works—				
Mines	2,584,685	129,234		
Smelting works	2,391,437	119,574		
Salt works	1,948,962	97,448		
Miscellaneous	595,697	29,784		
			7,520,781	376,039
Mint	...	...	334,901	16,745
Rent from Nürnberg Bank	...	...	600,000	30,000
State railways	...	...	110,182,626	5,509,131
Postal and Telegraph Service	...	...	22,010,409	1,100,520
Lake of Constance Steamer Service ...	...	...	468,275	23,413
Ludwig Donau-Main Canal	...	...	102,175	5,108
Frankenthaler Canal	...	...	5,680	284
Law and Official Gazette	...	...	62,400	3,120
Forest, Chase dues and Pastures	...	...	27,688,800	1,384,440
Savings and business receipts	...	...	2,284,714	114,235
Land rents	...	...	7,268,011	363,400
Rents, dividends, and special receipts ...	...	...	1,365,620	68,281
Receipts for the Widows and Orphans' Institute	...	...	324,480	16,224
Grand total	...	...	306,292,271	15,314,609

II. Expenditure.

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
A. Administrative expenditure in respect of—		
Direct taxes	982,600	49,130
Succession duty, &c.	733,277	36,664
Customs and indirect taxes	11,906,630	595,331
Mines, smelting and salt works	6,753,963	337,698
The Mint	303,853	15,193
State railways	72,427,245	3,621,362
Post and Telegraph Services	20,041,474	1,002,074
Lake of Constance Steamer Service	446,578	22,329
Ludwig Donau-Main Canal	210,746	10,537
Frankenthaler Canal	7,403	370
Law and Official Gazette	31,259	1,563
Forests, Pasture, and Chase Department	15,674,752	783,738
Savings and business receipts	1,639,925	81,996
Land rents	169,640	8,482
Rents, dividends, and special receipts	11,332	567
Institute for Widows and Children of Civil Servants	2,550	127
Total (A)	131,343,232	6,567,161
B. Supply services—		
Royal Household and Court	5,403,986	270,199
Public Debt	49,787,500	2,489,375
Council of State	24,800	1,240
Bavarian Parliament	430,627	21,531
Ministry of the Royal House and Foreign Affairs	615,555	30,777
Ministry of Justice	13,672,001	683,600
„ the Interior	21,885,657	1,094,283
„ Public Worship and Education	23,892,320	1,179,616
Ministry of Finance	3,919,300	195,965
Quota paid to the German Empire	42,238,920	2,111,946
Pensions of civil servants	5,852,894	292,644
„ for widows and children	3,119,770	155,988
Grants in aid to civil servants	631,213	31,560
General reserve for unforeseen occurrences	396,496	19,824
House rent grant for civil servants, &c.	3,378,000	168,900
Total (B)	174,949,039	8,747,448
„ (A)	131,343,232	6,567,161
Grand total	306,292,271	15,314,60

In addition to the above, the amount set apart by the State Fire Insurance Bureau and paid in to the public Exchequer for the expenses of the Insurance Chamber and insurance inspectors is fixed for each year of the twenty-first financial period at 594,000 marks (29,700*l.*).

Alterations made by the chambers in original budget estimates.

The foregoing figures of receipt and expenditure, as fixed by the Law of May 26, 1892, differ from those presented to the Chambers in October, 1891, in that they are about 6,000,000 marks (300,000*l.*) higher on both sides of the account, which is accounted for as follows:—

The estimated receipts under Bavaria's share of the Imperial customs and tobacco duty is taken about 2,000,000 marks (100,000*l.*) higher, the receipts from the State railways is taken at 1,000,000 marks (50,000*l.*) higher, and the receipts from the State forests, chase dues and pastures at 1,780,000 marks (89,000*l.*) higher, besides some minor increases.

On the side of expenditure the expenses of the State railways are taken at 600,000 marks (30,000*l.*) higher, the expenses of the State forests, chase and pasture department 1,400,000 marks (70,000*l.*) higher, and the sum of 3,378,000 marks (168,900*l.*) has been added to the budget for a house-rent grant to civil servants and grants in aid of teachers. The above figures show the steadily-increasing volume of the Bavarian national revenues and the sound basis on which their finances stand.

Army.

By the Imperial German Law of July 15, 1890, the peace strength of the Bavarian army was fixed at 56,334 men, at which figure it still remains.

The army estimates, which form a separate budget, controlled by Bavaria out of a special contribution paid by the Imperial Exchequer, amounted for each year of the twenty-first financial period to 58,028,345 marks (2,901,417*l.*), divided into—ordinary expenditure, 47,794,533 marks (2,389,726*l.*); extraordinary expenditure, 5,334,910 marks (266,745*l.*); military pensions and invalid funds, &c., 4,898,902 marks (244,945*l.*). As against this must be set the sum of 463,300 marks (23,165*l.*) which accrued from special receipts, such as the sale of old materials, &c.

The actual expenditure on the Bavarian army, as laid down by the Bavarian Government, amounted to the following total, as approved by both Chambers, and classified as follows:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
Ordinary expenditure	48,540,513	2,427,025
Extraordinary „	13,201,852	660,093
Military pensions	5,956,435	297,822
Total	67,698,800	3,384,940

These results, as regarding 1892, cannot now be affected by any new Imperial military legislation, although the army estimates for 1893 may be altered.

I should add that the increase in the strength of the army necessitated a payment on the account by the Empire to Bavaria of 6,298,836 marks (314,942*l.*) for the period from October 1, 1890, to March 31, 1891.

State railways.

It will have been noticed that the net income from the Bavarian State railways is gradually increasing. In the estimates for the twentieth period the net income was taken at 38,000,000 marks (1,900,000*l.*), while for the twenty-first period it is estimated at about the same figure, but it must be remembered that these estimates are excessively cautious, and that the revised accounts for the nineteenth period, which were the last published, showed a net income of no less than 44,800,000 marks (2,240,000*l.*), being no less than 9,000,000 marks (450,000*l.*) more than the amount at which the net railway income had been estimated in the budget for that period.

The payment of the capital sum of 42,646,300 marks (2,132,315*l.*) for railway improvements out of surplus income is also a very satisfactory feature.

But it must not be forgotten that a great deal more remains to be done before it can be fairly stated that the Bavarian railways are up to the level of the latest European requirements. The central position of Bavaria causes an amount of through traffic (largely passenger traffic, demanding rapid trains and modern conveniences and comfort), which must entail great capital outlay on better permanent way and rolling stock, and improved appliances generally. From a financial point of view, full advantage cannot be taken of the central situation of this country and of the tendency of the railway income to increase, unless a large part of the present net income is devoted to permanent improvements, not once in a way, but every year for several years to come.

Turning to the details, out of the gross receipts some 32,000,000 marks (1,600,000*l.*) are passenger receipts, while some 72,000,000 marks (3,600,000*l.*) are goods receipts, the remainder being miscellaneous and special receipts.

Of the gross expenditure some 38,000,000 marks (1,900,000*l.*) are for salaries and other personal payments, while about 34,000,000 marks (1,700,000*l.*) are for the purchase and repair of "matériel," &c.

The fact that the passenger receipts increase more slowly than the goods receipts appears due to the causes touched upon above.

Rates of direct taxes.

The rates at which the direct taxes are levied in the twenty-first period are the same as those taken for the nineteenth period, as described in my report (No. 795) for 1890, page 8.

An annual charge which is not included in the budget is that of 50,000 marks (2,500*l.*) for correction of the course of the Danube in Schwaben, especially provided for by law under the Danube Regulation Scheme.

Debt. The following table shows the amount of the Bavarian debt and its classification on December 31, 1890 :—

Description.	Amount.			
	Currency.	Sterling.	Currency.	Sterling.
	Marks.	£	Marks.	£
A. General Debt—				
Old unaltered debt	11,129,134	556,457		
Debt to institutions and communes	53,674,632	2,683,731		
Four per Cent. Premium Loan of 1864	28,305,000	1,415,250		
General Debt in currency of the Empire	120,679,800	6,033,990		
			213,788,566	10,689,428
B. Railway Debt—				
Debt to private holders bearing 4 per cent.	...	...	967,460,400	48,373,020
C. Land Rent Debt	...	...	152,241,191	7,612,059
D. Agricultural Rent Debt	...	...	703,125	35,156
Total Bavarian Debt at the end of 1890	...	...	1,334,193,282	66,709,664

During the year 1891 the following sums were paid off:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
By drawings of the premium Loan of 1866	1,410,000	70,500
From the Debt to institutions and communes	300,000	15,000
From the Land Rent Debt	1,686,000	84,300
Total	3,396,000	169,800

But during 1891 about 300,000 marks (15,000*l.*) were added to the agricultural rents debt, so that the net amount paid off was a little over 3,000,000 marks (150,000*l.*).

The exact amount of the agricultural rents debt on December 31 of each year can only be estimated, and not precisely ascertained, as the accounts of this section of the debt are made up at a different period of the year. The Bavarian debt at the end of 1891 therefore stood :—

Description.	Amount.			
	Currency.	Sterling.	Currency.	Sterling.
	Marks.	£	Marks.	£
A. General Debt—				
Old unaltered debt	11,129,134	556,457		
Debt to institutions and communes	53,374,632	2,668,731		
Four per Cent. Premium Loan of 1866	26,895,000	1,344,750		
General Debt in currency of the Empire	120,679,800	6,033,990		
			212,078,566	10,603,928
B. Railway Debt...	...	...	967,460,400	4,837,020
C. Land Rent Debt	...	...	150,555,191	7,527,759
D. Agricultural Rent Debt (about) ...	...	...	1,000,000	50,000
Total Bavarian Debt at the end of 1891	... ...	...	1,331,094,157	66,554,707

During 1892 it is estimated that the following sums will have been paid off:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
Drawings of the Loan of 1866	1,245,000	62,250
Debt to institutions and communes ..	150,000	7,500
From the Land Rent Debt—repaid by borrowers	1,719,000	85,950
Total	3,114,000	155,700

But the agricultural rent debt is estimated to show an increase of over 300,000 marks (15,000*l.*) during the year, leaving a net diminution of the debt during 1891 of nearly 2,800,000 marks (140,000*l.*).

The total debt of Bavaria is therefore estimated to stand as follows on December 31, 1892:—

Description.	Amount.	
	Currency.	Sterling.
	Marks.	£
General Debt	210,683,566	10,534,178
Railway Debt	967,460,400	48,373,020
Land Rent Debt	148,836,191	7,441,809
Agricultural Rent Debt	1,360,000	68,000
Total	1,328,340,157	66,417,007

The agricultural rent debt, which thus shows a tendency to increase, is limited to a maximum of 2,000,000 marks (100,000*l.*)

by law, beyond which it cannot increase. It consists of advances to owners of land on good security for the benefit of agriculture.

Service of the debt for the 21st financial period.

The service of the debt for the twenty-first financial period was fixed by the Finance Law of May 26, 1892, as follows:—

A. *General Debt.*

General debt.

Cost of administration and interest taken at 8,537,160 marks (426,858*l.*), divided into: 3,050 marks (153*l.*) specially recouped from the army estimates, 9,120 marks (456*l.*) from surplus dividends, 8,524,990 marks (426,249*l.*) from the net proceeds of the malt tax. As sinking fund, 150,000 marks (7,500*l.*) is applied to the old debt (institutions and communes), and 1,675,500 marks (83,775*l.*) to the premium loan of 1866, making a total of 1,825,000 marks (91,275*l.*) to be applied to the repayment of the general debt. But it will be noticed that the figures given previously show that the drawings of the premium loan for 1892 are not expected to amount to more than 1,245,000 marks (62,250*l.*), instead of 1,675,000 marks (83,775*l.*).

The total of 1,825,000 marks (91,275*l.*) for the sinking fund is taken chiefly from the net proceeds of the malt tax, *i.e.*, 1,739,900 marks (86,995*l.*), while the remaining 85,600 marks (4,280*l.*) are taken from special advance army credits.

Railway debt.

The total of 38,931,840 marks (1,946,592*l.*) for the interest and administration of the railway debt is made up of 37,755,381 marks (1,887,769*l.*) from the ordinary railway revenues, and the remaining 1,176,459 marks (58,823*l.*) from the net proceeds of the malt tax.

Land rent debt.

The net sum due for the payment of the interest on the land rent debt, after all charges for sinking fund and so forth had been met, was 441,080 marks (22,054*l.*), and the charge for the cost of administration was 144,050 marks (7,202*l.*), both of which sums were taken from the net proceeds of the malt tax.

Agricultural rents debt.

In the same way a sum of 5,640 marks (282*l.*) was appropriated from the malt tax for the interest and sinking fund of the agricultural rents debt.

We thus see that while the railway debt remains stationary and the agricultural rents debt is increasing up to a maximum of 2,000,000 marks (100,000*l.*), the land rent debt is being paid off at a rate of about one-ninetieth part yearly, and the loan of 1866 at a rate of about one-twentieth part yearly, and the debt to institutions and communes at a rate of about one-three-hundred-and-fiftieth part yearly.

The incidence of the debt charge is for 1892 nearly 9*s.* per head of the population, while the capital amount of the debt is 11*l.* 17*s.* 7*d.* per head.

Both the capital amount and the annual charge are low in proportion to the population of Bavaria and the wealth of the country as compared with the other German States.

Bavarian Banks in 1891.

The reports of a few of the principal Bavarian banks throw light on the financial situation to some extent. Banks.

In 1891 the Bayerischer Vereins Bank reported that, in spite of the depression of trade and general commercial slackness, the position of the bank improved. A dividend of 8½ per cent. was declared, besides "tantièmes." The net profits were 2,674,251 marks (133,712*l.*). Large purchases had been made in local railway stock at 4 per cent. The mortgage business showed a satisfactory increase. Agriculture showed itself in a fairly good condition from a banking point of view, but a fall took place in the value of real estate.

The Bayerische Hypotheken and Wechselbank reported an increase of business. The number of mortgage bills n particular increased, and so did the discount business.

The Bayerischer Landesbank is in an unsatisfactory condition, and, after a stormy meeting, found itself obliged to adopt drastic measures for re-organising the bank.

The business done by the Munich branch of the Reichsbank in 1891 showed a slight falling-off as compared with 1890. Munich took the thirteenth place among its branches as against the twelfth place in 1890. The general dividend declared by the Reichsbank (including Munich) was 7·55 per cent., as against 8·81 per cent. in 1890.

The Bayerische Notenbank reported an unsatisfactory year. Great variations in the open markets led to an unusual decline in business, and the usual rise in the price of money in the autumn did not take place. Nevertheless, by economical management, a dividend of 9 per cent. was declared.

The South German Land Credit Bank reported satisfactorily. Business was good and regular. The net profits of the bank were 2,049,055 marks (102,453*l.*) and the dividend declared 7 per cent.

The Bayerischer Handelsbank reported a good balance in spite of the unfavourable course of business in the year. The net profits were 1,672,042 marks (836,021*l.*) and the dividend 7 per cent. as in 1890.

Kester Bachmann and Co. had a very bad year and no dividend was declared. This was chiefly owing to the failure of the United Breweries of Kitzingen-Rottendorf, with which the bank was in business correspondence.

The Munich Industrie Bank reported a favourable year, and divided 7½ per cent.

On the whole the reports have been good, and dividends well maintained, in spite of a variable year.

Local Taxation and Local Debts.

From a document issued by the Ministry of the Interior, it appears that the local taxation of the country is rapidly in-

creasing, and the Ministry have issued, therefore, a warning to the local authorities to exercise greater economy in their outlay, whether annual or permanent.

They show that the local taxation which, as explained in my report of 1890, consists of assessments by percentages on the national direct taxes, and also in local indebtedness, increased as follows in the large towns :—

Year.	Per cent.	Local Debt.	
		Currency.	Sterling.
		Marks.	£
1882	85	86,922,025	4,336,101
1886	88	104,545,391	5,227,269
1889	93	124,460,834	6,223,042

In the other communes right of the Rhine it was :—

Year.	Per cent.	Local Debt.	
		Currency.	Sterling.
		Marks.	£
1882	60	37,848,499	1,892,425
1886	58	33,096,206	1,654,810
1889	62	35,600,581	1,780,000

In the Pfalz, town and country :—

Year.	Per cent.	Local Debt.	
		Currency.	Sterling.
		Marks.	£
1882	136	8,061,223	403,061
1886	145	8,948,030	447,402
1889	146	12,229,922	611,496

Taking the whole kingdom together, the percentages are classified as follows :—

Amount of Percentage.	Number of Communes.		
	1882.	1886.	1889.
..	651	718	662
1 to 50	2,689	2,548	2,291
51 100	2,685	2,873	2,984
101 250	1,740	1,642	1,849
251 300	122	117	118
301 350	56	64	58
351 and over	85	65	65

We thus see that the percentage assessments rose markedly in the large towns and in the Pfalz, and so did the local debts. Taking the whole country the percentages are increasing.

Financial position of Bavaria satisfactory.

However necessary such economy by the local authorities may be, this increase of local taxation is not at present a serious evil, and it is certainly not confined to Bavaria. The facts cited in the course of this report show that the general financial position of the country is thoroughly sound. Another small indication of this is shown by the fact that real property was sold in 1883 to the value of 52,000,000 marks (2,600,000*l.*), but the sales in 1889 rose to the value of 192,000,000 marks (9,600,000*l.*), indicating the increase in the wealth of the country.

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1893.

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REPORT FOR THE YEAR 1891

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series, No. 975.

Presented to both Houses of Parliament by Command of Her Majesty.
MAY, 1893.

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BAVARIA.

MUNICH.

Mr. Drummond to the Earl of Rosebery.

My Lord, *Munich, March* 31, 1893.

I HAVE the honour to enclose herewith a Report on the General Commerce of the different Provinces of Bavaria for the year 1891, by Mr. Helyar, Second Secretary to Her Majesty's Legation, from which it appears that the general outlook has been unsatisfactory owing to over-production, high foreign tariffs, competition, high prices, and diminished purchasing power.

I have the honour to mention that the reports of the different Bavarian Chambers of Commerce are only published in the second half of the year, and as Mr. Helyar was at Darmstadt engaged on public duties from November until the end of January last, he was unable to finish his report until the present time.

I have, &c.

(Signed) VICTOR DRUMMOND.

Report on the Commerce of the Provinces of Bavaria for the Year 1891.

ABSTRACT of Contents.

	PAGE
Oberbayern	7
General Remarks	7
Table of prices of principal articles of commerce	9
Position of the working man	10
Money market	10
Insurance laws against sickness, &c.	10
Exports to the United States	10
Milling	10
Baking	10
Hops	10
Brewing	10

Abstract of Contents—continued.

	PAGE
Spirit distilling	10
Wine	11
Colonial Wares	11
Cigars and tobacco	11
Indiarubber	11
Fruit and flowers	11
Butchers	11
Dairy trade	11
Woollens	11
Leather	11
Bootmaking	11
Leather gloves	11
Brushmaking	12
Furs	12
Wax trade	12
Horses	12
Horse-hair	12
Cement	12
Brickmaking	12
Marble, &c.	12
Building	12
Painting, &c.	12
Coal	12
Peat	12
Gas	12
Smelting	12
Copper	12
Locomotives	12
Tin	12
Bronze	12
Pharmaceutical chemistry	12
Agricultural chemistry	12
Textiles	13
Cloth	13
Tailoring	13
Mantles	13
Silks, &c.	13
Dresses	13
Linens	13
Artificial flowers	13
Rags, &c.	13
Paper	13
Lithographing	13
Printing	13
Book trade	13
Art productions	13
Binding	13
Wood, &c.	13
Parquetry	13
Art manufactures	14
Watches and clocks	14
Optical instruments	14
Beltings	14
Antiquities	14
Electrical apparatus	14
Machinery	14
Niederbayern	14
General Remarks	14
River navigation	14
Smelting	14
Jewellery	14
Cigars	14
Brewing	14
Crucible manufacture	14

Abstract of Contents—continued.

	PAGE
Yeast and spirits	14
Coal	14
Grain trade	14
Organs	15
Bone and glue	15
Glass manufacture	15
Timber	15
Harvest	15
Red earth	15
Vitriol	15
Brewing	15
Grain trade	15
Glass manufacture	15
Timber	15
Jewellery	15
Artificial manure	15
Organs	15
Parquetry	15
Crucibles	15
Matches	15
Stoneware	15
Landshut	15
Schwaben	16
Textiles	16
Cotton spinning	16
Cotton weaving	16
Sewing thread and twist	16
Cotton printing	16
Carded yarn	16
Hemp and twine	16
Flax-spinning and linen-weaving	16
Watch springs and fret saws	16
Machinery	16
Match and blacking	16
Paper	16
Wood fibre	16
Straw hats	16
Snuff	16
Baking	17
Clothing	17
Building	17
Saddlery	17
Carriages	17
Iron	17
Timber	17
Printing	17
Spirits and brandy	17
Vinegar	17
Colonial wares	17
Petroleum	17
Cheese	17
Stationery	17
General situation	17
Pfalz	17
Grain trade	17
Market gardening	17
Vintage	17
Wine	17
Horse trade	17
Cattle	17
Sheep	17
Earthenware	17
Building	18
Stone	18

Abstract of Contents—continued.

	PAGE
Glass	18
Millstones	18
Whetstones	18
Emery trade	18
Iron and coal	18
Pig iron	18
Manufactured iron	18
Coal and coke	18
Metal wares	18
Furnaces, &c.	18
Machinery	18
Waggons	18
Iron wares	18
Textiles	18
Cotton spinning	18
Weaving	18
Chemicals	18
Artificial manures	18
Milling	18
Malt	18
Brewing	18
Wine	18
Spirit distilling	19
Fisheries	19
Potatoes	19
Timber	19
Cork	19
Casks	19
Brushes	19
Baskets	19
Paper	19
Printing, &c.	19
Leather	19
Transport	19
Navigation	19
Improvements desired	19
Oberpfalz	20
General situation	20
Insurance law	20
River navigation	20
Brewing	20
Tin plate	20
Pencil manufacture	20
Flower manufacture	20
Printing and book trades	20
Iron manufacture	20
Milling	20
Glass	20
Hemp	20
Timber	20
Parquetry	21
Wood fibre	21
Hops	21
Furnaces and stoves	21
Spirit distilling	21
Fancy articles	21
Milling	21
Paper	21
Danube traffic	21
Soap	21
Spirit refining	21
Stone	21
Watches and clocks	21

Abstract of Contents—continued.

	PAGE
Wine	21
Oberfranken	22
General remarks	22
Foreign tariffs	22
Home trade	22
Canal system	22
Telephones	22
Hops	22
Wine	22
Grain	22
Timber	22
Coffee and rice	22
Provisions	22
Building	23
Brickmaking	23
Granite, &c.	23
Lime	23
Mineral pigments	23
China, &c.	23
Glass	23
Iron	23
Cotton	23
Woollens	23
Dresses	23
Sailcloth	23
Silks	23
Woodfibre	23
Cellulose	23
Wood pulp	23
Brewing	23
Milling	23
Building	23
Iron	24
Tin foil	24
Gold leaf	24
Basketmaking	24
Glue and bone trades	24
Shoemaking	24
Preserves	24
General situation	24
Unterfranken	24
General remarks	24
Wine	24
Sparkling wines	24
Spirits, liqueurs	24
Mineral waters	24
Grain and flour	25
Milling	25
Fruits, &c.	25
Cheese	25
Herrings	25
Tobacco	25
Sugar	25
Caramels	25
Cattle and meat	25
Fish	25
Chemicals and drugs	25
Dyeing	25
Textiles	25
Woollens	26
Horse-hair	26
Ribbons and small articles	26
Metal manufactures	26
Coal	26

Abstract of Contents—continued.

	PAGE
Iron plates	26
Machinery	26
Hard steel balls	26
Building	26
Quarries	26
Lime	27
Glass	27
Timber	27
Casks	27
Reels, &c.	27
Refrigerators	27
Leather	27
Wax	27
Paper manufacture	27
Wall papers	28
Lithography	28
Minor trades	28
Colonial wares	28
Tobacco	28
Toys	28
Small articles	28
Mattresses	28
Porcelain	28
Spirits and liqueurs	28
Worsteds	28
Umbrellas, muffs, &c.	28
Colportage	28
Jewellery	28
Optical instruments, &c.	28
Bookbinding	28
Mittelfranken	28
General remarks	28
Colonial wares	29
Electric lighting and apparatus	29
Vinegar	29
Spirits	29
Bronze	29
Paints	29
Milling	29
Engraving and stamping	29
Timber	29
Hops	29
Confectionery	29
Railway waggons	29
Metal wares	29
Furniture	30
Night lights	30
Optical and other instruments	30
Tobacco	30
Ultramarine	30
Wine	30
Tinfoil	30
Summary of 1891	30
General outlook	30

Oberbayern.

General Remarks.

The general results of the year must be considered unsatisfactory, more so, in fact, than in 1890, except in a few trades. The unusual weather acted unfavourably on all the clothing trades, and several branches of production of necessaries of life. The quiet state of foreign politics was reflected in the Bourse. The high foreign tariffs unfavourably affected exports, and the foreign consumer was less able to purchase Bavarian manufactured products, partly owing to the high price of the necessaries of life, partly owing to the depreciation of paper currencies in many States. The generally poor harvests in Europe have encouraged the rising tendency in the price of grain, which, of course, benefits the farmer. But the manufacturer has in many cases sustained losses through uncertainty as to commercial treaties under negotiation. The milling industry was prosperous until September, but afterwards showed a decline. The hop trade was also prosperous. The agricultural spirit distillers flourished; but the manufacturing distilleries did a poor business, as also the wine trade. The wholesale and retail business in colonial wares were both only middling. The cigar business flourished during the greater part of the year, but fell off at its close. The indiarubber trade, and the raw wool and woollen felt industries, the horsehair and wax goods trades all declined. The glove trade was good, but that in leather articles for machinery, such as beltings, was poor. Paving stones and marble sold well, but the decline in building activity in Munich depressed the building and allied trades, including the tile and cement industries, except where required for public works. The business done in peat and coal was good.

In metal manufactures the locomotive production was active, and also the manufacture of railway and other cars and waggons. Iron foundries were slack, owing to the decline in building activity, and the following branches did a poor business:—copper manufactures, machinery, cast tin, bronze, and work in the precious metals. Pharmaceutical chemistry prospered, agricultural chemistry the reverse. As to textiles, the one and only cotton mill in Bavaria suffered depression. Manufactured stuffs, silks, satins, plushes, and dresses, cloths and buckskins, as well as mantles, all showed poor profits and declining trade. The extensive artificial flower trade especially suffered from high foreign tariffs. The paper trade and the book and printing trades were poor, the latter being particularly injured by the printers' strike. The lumber trade prospered, owing to the rise in prices, but the sawn timber trade was bad, owing to excessive competition. The sawing industry and that in parquetry suffered from the decline in the build-

ing trade, the first named also from the increasing use of cellulose.

Pencil manufacture was good early in the year, but fell off later. A poor trade was done in fancy articles and trinkets, matches and varnishes. In antique furniture, &c., trade was middling. Business was good in electrical, musical, mathematical, and optical instruments, but the export of optical instruments suffered from the high tariffs. The extensive Munich industry in surgical bandages was prosperous. The manufacture of art-furniture, &c., also flourished. In various other branches, however, *e.g.*, the manufacture of provisions, poor trade was complained of.

Table of prices of principal articles of commerce.

The following table gives the price of the most important articles of commerce in 1883, 1887, and 1891, showing the variation of prices :—

Article.	Quantity.	1883.						1887.						1891.					
		Currency.		Sterling.				Currency.		Sterling.				Currency.		Sterling.			
	Kilos.	Marks.	Pf.	£	s.	d.		Marks.	Pf.	£	s.	d.		Marks.	Pf.	£	s.	d.	
Wheat	1,000	181	88	9	1	10½		190	08	9	10	1		239	54	11	19	6½	
Rye	1,000	149	58	7	9	7		141	58	7	1	7		210	42	10	10	5	
Barley	1,000	170	23	8	10	2½		157	38	7	17	4½		179	56	8	19	6½	
Oats	1,000	126	25	6	6	3		118	46	5	18	5½		159	58	7	19	7	
Wheat-flour	100	31	94	1	11	11		28	94	1	8	11		35	25	1	15	3	
Potato spirit	100	57	50	2	17	6		50	00	2	10	0		71	05	3	11	0½	
Rye-flour	100	26	30	1	6	3½		23	80	1	3	9½		32	55	1	12	6½	
Pig iron—(1) Best Scotch	1,000	82	54	4	2	6½		73	63	3	13	7½		81	99	4	2	0	
(2) English	1,000	62	94	3	2	11		57	04	2	17	0½		61	52	3	1	6	
Coal—(1) Westphalian	1,000	18	65	0	18	7½		16	88	0	16	10½		23	46	1	3	5½	
(2) English	1,000	17	19	0	17	2		16	68	0	16	8		21	00	1	1	0	
Raw sugar	100	59	91	2	19	11		42	94	2	2	11		35	88	1	15	10½	
Refined sugar	100	74	58	3	14	7		53	91	2	13	11		56	84	2	16	10	
Coffee—Santos	100	90	68	4	10	8		156	93	7	16	11		162	74	8	2	8½	
Coffee—Rio	100	86	84	4	6	10		156	73	7	16	8½		162	54	8	2	6½	
Rice—Rangoon	100	20	03	1	0	0		16	99	0	17	0		19	10	0	19	1	
Rice—broken	100	16	26	0	16	3		13	40	0	13	4½		15	54	0	15	6½	
Pepper	100	129	94	6	9	11		152	60	7	12	7		79	49	3	19	6	
Herrings—Norway	100	31	97	1	12	0		19	50	0	19	6		31	20	1	11	2	
Herrings—Scotch	100	45	25	2	5	3		28	56	1	8	6½		37	34	1	17	4	
Petroleum	100	15	82	0	15	10		12	74	0	12	8½		12	88	0	12	10½	
Tobacco—S. Domingo	100	97	47	4	17	6		86	67	4	6	8		87	92	4	7	11	
Tobacco—Brazil	100	110	00	5	10	0		98	67	4	18	8		110	00	5	10	0	
Cotton	100	108	81	5	8	9½		105	87	5	5	10		90	43	4	10	5	
Wool	100	413	13	20	13	2		364	25	18	4	3		352	39	17	12	4½	
Lead	100	27	13	1	7	2		27	47	1	7	5½		27	15	1	7	2	
Copper	100	140	79	7	0	9		92	89	4	12	10½		116	02	5	16	0	
Raw silk—Milan	1	55	38	4	15	4½		54	17	2	14	2		44	58	2	4	7	
China	1	19	75	2	9	9		47	67	2	7	8		42	92	2	2	11	

Position of the working man.

These changes have naturally worked to the disadvantage of the working man since the price of the necessaries of life sensibly rose, while the large demand for labour hitherto existing is falling off, and markedly so in machinery and textile manufactures, and in the building trade. For instance, in 1891 we have 150 factories sharing an increase of 2,300 hands against 114 factories with a diminution of 2,100 hands. Evidently, then, Bavarian manufacture is not in a position to absorb much additional labour (due to increase of population, &c.). In textile industries the working day was shortened, and overtime generally abolished, to the loss of the workman. However, taken as a whole, it may be said that wages and working hours have not very greatly altered.

Money Market.

Money was more abundant than in 1890. The average rate of discount at the Reichs-bank was 3·78 per cent., against 4·52 per cent. in 1890. The unsatisfactory state of many industries has depressed the stock market, as also the financial difficulties of foreign nations. The number of protested bills in Munich rose from 7,252 in 1890 to 8,523 in 1891.

Insurance Law against Sickness, &c.

The burdens on industry laid by accident and sickness insurance laws have been severely felt, but willingly borne in the belief that they confer benefits. The new Imperial Law has met with much opposition, and the opposition has some grounds for its existence. The law is good in idea, but defective in execution. Its details are too complicated, and entail too much labour. In short it requires amendment, preserving the spirit untouched.

Exports to U.S.A.

The exports from Bavaria to the United States decreased, owing to the McKinley Law, from 246,000*l.* in 1890 to 159,400*l.* in 1891.

Milling.

In the *Milling Industry*, in the early part of the year the rising prices favoured millers, who made good profits, which ceased in September. Reduction in corn duty also acted unfavourably.

Baking.

In the *Baking Trade* complaints were made of the burdens of the new German Insurance Law. The trade generally was stationary; 94 new bakeries were set up, 89 abandoned.

Hops.

In the *Hop Trade* the crop for 1891 was middling to fair. The year began with low prices, and the lesson learnt from the speculation of 1890 produced a very reserved tone, purchases being only made at very low prices. Only later in the year did prices rise as stocks worked off. Brewers bought to great advantage throughout the year.

Brewing.

In *Brewing* a fairly good business was done in spite of the unfavourable rainy weather, and there was no decline from 1890. The new railway rates favoured export beer, in which a good trade was done. Barley and hops were cheap, the refuse products sold well, wages remained unchanged.

Spirit Distilling.

In the *Spirit Trade* the poor potato crop raised prices very much, but in spite of this a good business was done, and agricultural distillers made good profits. Manufacturing dis-

tillers did a poor trade owing to excessive competition. Wages were stationary.

Wine.

In the *Wine Trade* results were only middling, as the general purchasing power diminished owing to the various financial crises and difficulties. Rainy weather also kept down consumption. Owing, however, to the scanty vintages prices were steadily maintained and were enhanced. The abundant vintages in Italy and Greece caused an increased consumption of wines from those countries.

Colonial Wares.

In *Colonial Wares* a middling business was done, but profits were poor. The McKinley Law produces less effect in Bavaria than elsewhere in Germany. The harvests also have been better in Bavaria than in many other places. But the losses on the Stock Exchange during the year, the severity of the previous winter, and the shrinkage in building activity made themselves felt especially in Munich. On the whole, however, the wholesale business was fair. Consumption of articles of pure luxury fell off. The small retail tradesmen complained much of poor trade. In coffee and sugar especially great variations in price took place.

Cigars and Tobacco.

In the *Cigar Trade* a good business was done. Home grown tobacco was stationary, imported showed in some branches an improvement.

Indiarubber.

In the indiarubber and caoutchouc trade poor profits were made. The price of the raw material was low, but that of the finished article fell still lower.

Fruit and Flowers.

Considerable increase was shown in the nursery gardens and flower trade.

Butchers.

The butchers did a poor business. Bavarian cattle were scanty and not of very good quality, while the import from Austria was checked and hindered in various ways. Prices stationary.

Dairy trade.

In the Dairy Business, great complaints were made of the steady decline in the market price of butter and cheese. Overproduction was not thought sufficient to account for this, and it was in part attributed to diminished demand by foreign countries, who are increasingly supplying their own market.

Woollens.

In the *Woollen Trade* the ever-increasing production in Australia and South America has depressed prices, and would have done so still more, but that factories were kept at work at an actual loss simply to keep them going. The general consequence was that profits were reduced to zero. Markets declined for felted woollens, and wages in that branch rose 5 per cent.

Leather.

In *Leather Articles* for machine use trade was poor, many large factories only ordering three-fourths of their accustomed quantity. Prices stationary.

Bootmaking.

In the *Boot Trade* complaints of foreign competition were rife and demands made for a protection tariff.

Leather gloves.

The business in leather gloves was fair, and equal to that of the previous year.

Brush-making. In the Brush Trade great complaints were made of the unequal treatment made by the German and French tariffs respectively.

Furs. The Furriers complained of competition by general clothing shops who increasingly import inferior furs and impose on the ignorance of the public.

Wax trade. The Wax-dealers and workers complained of high prices of the raw material, especially of the first quality. This price, it is true, slowly went down and trade in general was brisk, but during the greater part of the year profits were poor.

Horses. In the Horse Trade business was poor for the first three months, afterwards middling. The great manœuvres gave rise to some demand for riding horses.

Horse-hair. In Horse-hair trade was depressed and prices declined.

Cement. On the other hand the trade in cement was middling and a brisk business in Portland cement was done.

Brickmaking. In the Brick Trade a decline was visible owing to the shrinkage in building activity, especially in Munich. However in the first half of the year a fair business was still possible. Wages rose slightly.

Marble, &c. In paving stones and marble trade was middling.

Building. The *Building activity* in Munich showed a marked decline, the number of new houses built falling from 304 in 1890 to 250 in 1891, and repairs in the same proportion. 12,355,066 marks (617,753*l.*) was paid in wages in 1890, and only 11,649,863 marks (582,493*l.*) in 1891. This decline was the result of over-production, and naturally produced depression in all the allied trades. In consequence of the declines, bricks, iron, and wood fell in price.

Painting, &c. In the *Painting and Varnishing* trades a similar decline was noticed, due to the same cause, and the glaziers and plasterers suffered in the same way.

Coal. The *Coal production* of the year rose from 8,806,000 centuers in 1890 to 9,140,000 centuers in 1891, and 2,275 men were employed against 2,074 in 1890. A fair business was done.

Peat. In *Peat* a good trade was done. The *gas trade* was also satisfactory. Wages rose slightly.

Gas.

Smelting. The *Smelting Furnaces* only did a poor business and complained of the railway freight rates. The iron manufacture was on the whole stationary and rather dull.

Copper. The *Copper Manufacture* fell off. The manufacture of

Locomotives. machinery declined, with the exception of *locomotives*, in which branch a brisk business was done.

Tin. In *Smelted Tin* there was a marked falling off of trade, and

Bronze. in *Bronze* manufactures there was a stagnation in business.

Pharmaceutical chemistry. In *Pharmaceutical* Chemistry a middling to fair business was done at previous prices. Wages rose slightly. The experimental laboratory was very briskly frequented, and did much useful work.

Agricultural chemistry. In *Agricultural Chemistry* a large and increasing business was carried on. Coal rose slightly in price however, and so did

wages, hence certain economies in working were necessary. In artificial manures the market was unfavourable.

Textiles.—The cotton spinners complained greatly of a heavy fall in the price of their products and the reduction of profits to *nil* in consequence. Textiles.

In *Manufactured articles*, in *cloth and buckskins*, and in *tailor's goods*, the year was unfavourable. The weather, the unfavourable state of the money market, and over-production were contributing causes. Cloth. Tailoring.

In *Ladies' Mantles* a poor trade was done, chiefly owing to the warm weather. Mantles.

In silks, satins, and plush, the year was very variable, and much loss was sustained owing to the McKinley Bill, and a perceptible decline in the home demand for articles of luxury. Silks, &c.

In crêpes, tulles, and other dress materials, there was a good spring business done, which greatly fell off in the autumn. But at the end of the year the demand increased again. Dresses.

In *linens and white goods* an extensive business was done but at very low profits, owing to over-production. Linens.

In artificial flowers a good business was done in spite of foreign competition and the rise in wages. Fashion turned in favour of artificial flowers, and the price of the raw material fell, improvements in manufacture, too, were introduced, so that it was not necessary to reduce the hours of work. Artificial flowers.

Rags, &c.—Trade was bad, and good white rags very difficult to obtain owing to the quantity of coloured rags in use making the white rarer. Many large dealers are giving up the business owing to losses or disappearing profits. Paper manufacturers find wood pulp and cellulose cheaper than rags, and prefer to use them. Rags, &c.

In the Paper Manufacture the year was unfavourable. Prices fell, and chemicals rose in value. Orders, however, were pretty plentiful. Paper.

In the lithographing business no great change took place, but the price both of raw materials and the finished article was lower. Lithographing.

In the *Printing Trade* the year was marked by a long and embittered strike, which ended in the early part of 1892 with a complete victory of the masters. Trade suffered greatly from the strike, and many workmen at the close thereof found themselves out of work, as their places were taken by men imported from the provinces and abroad. Printing.

The *book trade* also showed a decline. Book trade.

Art Productions.—Complaints were made of a poor demand for high-class works, &c. Art productions.

In bookbinding there was a falling off. Binding.

Wood and Wood Manufactures.—In sawn timber a slight improvement was noticed, but markets were not very favourable owing to large outstanding stocks and the large amount thrown on the market by the Nonnen Pest. Wood, &c.

In parquetry a diminished trade was done, about 28 per cent. less than last year. A fair business was done in waggons and Parquetry.

carriages. Owing to economies in the small breweries the demand for casks fell off, small beer casks are being imported from Alsac.

Art manufactures. The art manufactures of Munich, &c., trade was good, and especially in the finer and more costly classes of articles. The market abroad for articles in hammered iron was extended.

Watches and clocks. In *Watches and Clocks* there was a marked decline, owing to a general decrease in purchasing power.

Optical instruments. In mechanical and optical instruments generally, trade improved.

Beltings. The trade in machine beltings, &c., showed a falling off.

Antiquities. In antiquities and second-hand articles trade was variable, but on the whole good. The sudden changes from brisk demand to stagnation and *vice versa* were curious.

Electrical apparatus. In electrical machinery and apparatus poor trade was done, and exports were small owing to high foreign tariffs.

Machinery. The Munich Machinery Manufacture Association closed its year's accounts for 1891–2 with a loss of 18,000 marks (900*l.*), and so declared no dividend. In the previous year the profits were 42,934 marks (2,147*l.*), the dividend 3 per cent.

NIEDERBAYERN.

General remarks. The general state of commerce in this province throughout 1891 was unsatisfactory, uncertainty in the relation of trade, feverish activity alternating with complete stagnation ruled the course of business. The McKinley Law naturally injured manufactures made for export. The limitation of the export markets, combined with continuous over-production, depressed trade. The application of electricity to manufactures is looked upon with some feelings of hope, especially in regard to small establishments and factories.

River navigation. *River Navigation.*—The late spring and low-water level in the autumn limited traffic injuriously. Less business was done, but, on the other hand, great savings in the working expenses were effected and a favourable balance rendered possible. Considerable sums are being annually spent by the Bavarian Government on the improvement of the Danube navigation and the repairs of its quays, banks, and harbours.

Smelting. Jewellery. Cigars. Brewing. Crucible manufacture. Yeast and spirits. Coal. Grain trade. It is reported that four branches of manufacture were able to do a profitable business during the year, namely : smelting works, jewellery makers, cigar fabrication, and brewing. The crucible makers and graphite works did an average business, though checked by foreign tariffs. The manufacture of compressed yeast and spirits suffered from the great rise in the price of corn. The high price of coal similarly affected the stoneware manufacture. The grain trade was very variable and uncertain. The permission of importing three kilos of flour daily for each family across the frontier, depressed the home trade. Some increase was shown in the manufacture of

organs. The *bone and glue* manufactures, and the glass, timber, and sawing trades all suffered from general depression, partly caused by the state of foreign tariffs. Niederbayern is one of the provinces where the Bavarian Government stopped its yearly cuttings of timber to balance the losses elsewhere, from the "Nonne," with results which are obvious. In the smaller trades very little changes were noted, though complaints against colportage continue. Niederbayern being an agricultural province, the harvest is the most important feature of the year, and in 1891 it was at least an average. The works producing "Potee" (red earth) and vitriol, at Bodeumais, report good sales at favourable prices. Their old stocks were entirely worked off. Organs. Bone and glue. Glass manufacture. Timber. Harvest. Red earth. Vitriol.

The *brewing* business was stationary at previous prices. The trade in grain was on the whole prosperous, but with very fluctuating prices. A considerable demand for grain from North Germany sprang up, but the year closed with very weak prices. Brewing. Grain trade.

The glass manufacture suffered from low prices, partly due to general causes, partly to the McKinley Law. Complaints were also made of the high price of wood for fuel, owing to the stoppage of Government cuttings of timber (at the time of the "Nonnen" pest). Glass manufacture.

Timber.—The general aspect of trade was unfavourable. The discontent of the working classes and various strikes were the main causes of this state of things. Timber.

The stoppage of the Government cuttings also affected business.

In the jewellery manufacture Leser's large establishment in Straubing did a profitable and increasing business, especially in gold and silver smith's work. The manufacture of church vessels and ornaments especially prospered. Jewellery.

In the manufacture of *artificial manure* a decline was produced by the rise in the Russian tariff on this article. Artificial manure.

The large organ factory of Edenhofer and Sons at Regen did a considerable business, but complained of the difficulty of obtaining cash payments, particularly from country customers. Organs.

The Parquetry and Cabinet-making Company of Passau report a poor trade done in the latter branch, while the sales of parquetry were, on the whole, satisfactory. Parquetry.

In compressed yeast and spirit distilling fair profits were made, the higher price of corn being balanced by higher selling rates.

Business in *crucibles* and *graphite* was stationary at the prices of 1890. The same may be said of the *match* trade. Crucibles. Matches.

The *stoneware* manufacture was depressed in the Munich market, but showed some improvement in the country. Stoneware.

In Landshut business and manufactures generally were somewhat contracted, and a balance was only struck by the exercise of great economy and thrift. Landshut.

SCHWABEN.

Textiles. Cotton-spinning.

Textiles: Cotton-spinning.—Half of the fourteen cotton mills that work during the year sustained loss, and only a few could point to a substantial profit, and the year was one of the worst ever known in this province. The principal causes were the unusual decline in the price of the raw material, owing to the immense American cotton crop. Over-production also contributed to this result, but would not have been alone sufficient had not the general purchasing power of the community simultaneously fallen off on account of general commercial depression. The working hours for boys and girls and women also were reduced to eleven hours a day, a working day which is becoming general for all workers. The new commercial treaty with Switzerland has laid fresh burdens on the cotton industry.

Cotton weaving.

Cotton weaving suffered quite as much, owing to a cold, rainy summer, and to a change of fashion which has turned rather to the cheaper woollen stuffs.

Sewing thread and twist.

Sewing thread and twist.—This branch of industry also suffered greatly from general depression, and especially from the rise in foreign tariffs and from the fact that the English competition, which commenced a war of extermination against German commerce in 1882, still continues to force down prices to a level which will necessarily lead German merchants to make still further sacrifices. Coal, wood, chlorine, and other materials have all risen in price, and sales of manufactures made from materials bought at previous higher rates can obviously only lead to loss.

Cotton printing.

The same unfavourable results were noted in the branch of cotton printing, and the same losses by sales, made while the market in the raw material was falling rapidly, took place.

Carded yarn.

The same unfavourable report was made in the branch of *carded yarn*, and on a falling market production was restricted as much as possible.

Hemp and twine.

In the *hemp* and *twine* manufacture the year was also a bad one, and this condition of things was aggravated by the unsettled state of foreign markets, while no improvement was made in foreign tariffs, and the French duty was nearly doubled.

Flax spinning and linen weaving.

In *flax spinning* and *linen weaving* matters were somewhat better, and the demand was pretty brisk, more especially in the finer qualities.

Watch springs and fretsaws.

In the manufacture of *watch springs* and *delicate steel saws* business was not inactive, but a steady and general decline in prices reduced profits to nearly zero.

Machinery.

Much the same may be said of the manufacture of *machinery*.

Match and blacking.

The *match* and *blacking* industry was stationary.

Paper.

Manufacture of *paper* was active, but at low prices.

Wood fibre.

In *wood fibre* business the year was very unsatisfactory.

Straw hats.

Manufacture of *straw hats* was restricted and profits were bad.

Snuff.

The business in *snuff* was stationary, but prices fell somewhat.

In the minor trades the first half of the year was fairly satisfactory, but the second half showed a great falling off. The bakers complained greatly of the high price of grain and flour, while the brewers did a tolerably good business, in spite of the rise in the price of hops. In the *clothing* business the first half of the year only was favourable. The *building* trades were fairly prosperous; but the *saddlers*, *smiths*, and *carriage makers* complained of poor markets. Baking. Clothing. Building. Saddlery. Carriages.

In the *iron business* no improvement took place, and prices fell even lower than in the previous year. Iron.

In the *timber* trade no important change took place, except that the economies made by the State to counterbalance their losses from the ravages of the Nonne affected very injuriously the trade in general. Timber.

In the printing trade the failure of one large firm injuriously affected business in general. Printing.

In the *spirits* and *brandy* business was bad, and demands slack, but the *vinegar* production was prosperous. Spirits and brandy. Vinegar.

In *colonial wares* considerable variations took place; a fair business was done in coffee, and also in dried fruits; but the sugar trade was unsatisfactory. The price of *petroleum* continued to fall. The important production of *cheese* and butter in this province suffered from restricted consumption and the general depression of business, but in the last quarter of the year the trade in butter somewhat improved. The manufacture of stationery was unprosperous. Colonial wares. Petroleum. Cheese. Stationery.

The general state of commerce and manufacture in this province can only be described as unsatisfactory and declining. General situation.

Pfalz.

Grain trade.—The year opened dull, but prices slowly rose, owing to unfavourable reports respecting the winter savings. Imports increase greatly. Rumours respecting the corn duties and rainy weather affected trade. Prices steadily rose through the year. Oats were the largest crop of the year. Grain trade.

In *market gardening* a decline took place, owing to over-production and foreign competition. Wages rose slightly. Market gardening.

Vintage and wine manufacture.—The vintage was fairly good, and a good middling wine was produced, the quality being, however, defective. Prices ruled high. Vintage. Wine.

Horse trade.—A decided decline was noticed, the chief reason being that foreign horses in demand for importation rose considerably in price. Horse trade.

Cattle.—A decline was visible also in the cattle trade, owing to prohibitive measures against importation, &c. Cattle.

Sheep.—The same may be said in an even higher degree of sheep. Sheep.

Earthenware.—A poor trade was done generally, but in the better sorts it was not quite so bad. Earthenware.

Building. *Building trades.*—General depression reigned, owing to a surplus of dwelling houses. Raw materials were slightly cheaper, and wages stationary.

Stone. In *building stone* a very quiet business was done, the quarries producing about 15 per cent. less than in 1890. This was especially the case with granite.

Glass. The *glass manufacture* suffered from diminished sales and falling markets. Coal, too, was dearer.

Millstones. In *millstones* a dull trade was done.

Whetstones. *Whetstones*, on the other hand, were in brisk demand.

Emery trade. In the *emery trade* there was a marked decline, chiefly owing to over-competition and over-production.

Iron and coal. In the *iron and coal wholesale business* the decline which commenced in 1890 continued steadily.

Pig-iron. In *pig-iron* trade was bad, and the year closed with poor prospects for new enterprise.

Manufactured iron. In *manufactured iron* the year was also unsatisfactory.

Coal and coke. In *coal and coke* the first half of the year was fairly good, but there was a great falling off in the last six months.

Metal wares. In *metal wares*, and in *stoves and furnaces, and in boilers* the same may be said.

Furnaces, &c. Machinery. Some good business was done in machinery, but reports from Pirmasens were unsatisfactory. The export to Austria fell off greatly, owing to the high tariff, and that to Russia was checked.

Waggons. The manufacture of waggons, &c., showed an increase, and the same was the case with the bell manufacture.

Iron wares. On the whole, the various other branches of iron wares and manufactured articles were stationary or declining.

Textiles. In *textiles* a serious decline took place. Cotton-spinning and weaving had been long declining, owing chiefly to over-production, and too rapid extension of plant. The regular fall in the price of raw cotton caused great losses to buyers at the previous rates. The same applies to the finer grades and to yarns. A cold summer, change of fashions, and the McKinley Bill were contributing causes. In other textiles, felts, worsteds, cloth, silks, all manufactured stuffs, lace, and embroideries, the same tale of over-production and declining trade is told.

Cotton-spinning. Weaving.

Chemicals. *Chemicals.*—In mineral dyes business was pretty active, but in pharmaceutical products there was again a decline.

Artificial manures. This was still more marked in artificial manures. The production of gas was stationary.

Milling. The year 1891 was favourable to *milling*, and the alterations in tariff on flour and grain encouraged trade.

Malt. The market for *malt* was bad, in connection with the decline in the sale of beer. Barley was dear, and yet the price of malt was kept low. Barley was largely exported to England, but the high English duty on malt kept out German malt.

Brewing. *Brewing* showed a decline, chiefly owing to unfavourable weather.

Wine. In the wine trade the excellent vintage of 1890 caused brisk

sales at fair prices, but at the close of the year the very poor vintage of 1891 began to have effect, and the price of the older wines of course rose, while the importation of Italian grapes and Italian must much increased. The export to France and America fell off.

Spirit distilling.

In the distillation of raw spirit some improvement was shown, and also in the vinegar manufacture. Sugar was increasingly produced, but sold at former rates, and, as the raw material was dearer, profits were poor.

Fisheries.

The *river fisheries* showed poor results.

Potatoes.

Potatoes were a more than average crop. The surplus went to Belgium, Westphalia, and the Rhine.

Timber.

The *Timber trade* was on the whole dull and declining, while wages slightly rose. In furniture manufacture good business was done in the first nine months of 1891, but the last three months showed a decline. The bad vintage and some commercial crises about this time sufficiently accounted for this.

Cork.

The cork trade suffered heavily from the McKinley Bill. The poor wine vintage and the poor state of the brewing trade affected unfavourably the manufacture of *casks*.

Casks.

Brushes.

In the *brush trade* some improvement was noticed.

Baskets.

Basket-making.—The quality of the material was inferior and prices were depressed.

Paper.

Paper and Paper Wares.—Over-production produced dulness of trade, which also suffered from the high price of coal. Importation of raw material from England increased. Profits declined in consequence of lower prices although the total output increased. In papier maché articles a certain improvement was shown, but it was only temporary.

Printing, &c.

In the printing and engraving trades results were on the whole satisfactory, except in November and December. The nine hours day has been introduced in several printing establishments, and wages rose 10 per cent. in many cases.

Leather.

In the *Leather trades* some briskne-s was shown, and sales were considerable, but profits continued low. Raw materials were higher in price. In the tanning business a decline was noticed in consequence of over-production. Great losses were sustained in the shoemaking business, which are attributed partly to decreased purchasing power among the people, and partly to unfavourable weather during summer.

Transport.

The *transport and forwarding agents* report a slight increase of business.

Navigation.

On the Rhine navigation was hindered by the severe winter and rise in the price of coal; in the autumn there was a slight improvement.

Improvements desired.

The Pfalz Chamber of Commerce presses earnestly for improvements in the canals and other facilities for navigation in the province.

Oberpfalz.

General situation. The year 1891 was in general one of decline, and very few satisfactory points relieve this general result. Over-production in many branches of industry combined with the unsound state of the money market and the unsettled conditions of politics to produce this effect.

The new commercial treaties have only as yet to a small extent benefited trade, but better things are hoped for in the near future.

Insurance law. General complaints are made of the working of the new insurance law, and its amendment is looked upon as a pressing necessity.

River navigation. The diminished import of grain from Austria caused a great diminution in the traffic on the Danube. The new river chain from Hofkirchen to Ratisbon has done some good, and at the close of the year the river traffic showed improvement.

Brewing. In the brewing industry a fair trade was done.

Tin-plate. In tin-plate business was pretty brisk, although complaints were made of the difficulty of getting good workmen.

Pencil manufacture. The Ratisbon pencil-factory reports that business was stationary. The high price of wood and of coal, and the influence of the insurance law, all acted injuriously upon profits. The high tariffs in France and Spain, and still more in Russia and the United States, have much hindered exports, so that prices generally were rather depressed than otherwise.

Flower manufacture. The same depression was shown in the manufacture of flowers, particularly for export markets.

Printing and book trades. In the printing and book trades strikes and movements among the workpeople for higher wages greatly unsettled trade. Sales, however, were pretty brisk and kept workshops fully employed during the year. The export to France was much hindered by customs regulations and other checks.

Iron manufacture. In the iron manufacture it is reported that the year 1891 showed a decline as regards cast iron, attributed to falling off in building activity and long and severe strikes. The state of things as regards manufactured iron was not much better. But the iron mines appear to have done a fair business.

Milling. The milling industry suffered considerably from the very low price of wheat and corn, and the trade in grain generally, owing to the poor Bavarian harvest, was chiefly confined to foreign grain in which some profits were made.

Glass. In the various branches of the glass manufacture, such as unworked and polished mirror glass, finished mirrors, table glass, and other branches, a general depression was observed. In some cases profits were reduced to zero.

Hemp. In the manufacture of hemp yarn a dull and stationary business was reported.

Timber. In the timber and sawing business great complaints were made of the rise in price of the raw material, largely owing to

the stoppage of the government cuttings of timber to balance the ravages of the Nonne in Oberbayern. The price of planks and sawn timber was stationary.

Parquetry. The parquet and manufactured wood factory in Ratisbon reported a stationary business tending to diminish under the influence of a decline in building activity. Some improvement, however, was shown in the manufacture of wood pavement.

Wood fibre. The manufacture of wood fibre increased in amount, but profits were so low that the year must be considered a bad one. The Scandinavian competition was largely the cause of this unfortunate result.

Hops. The hop vintage was less than in 1890, but the quality and colour were excellent. Good prices were obtained in many cases, but the large hop production in foreign countries considerably injured the export of Bavarian hops.

Furnaces and stoves. The manufactures of furnaces and earthenware stoves suffered slightly from the general lack of purchasing power, business being reported dull and stationary.

Spirit distilling. The high price of spirits turned to the profit of distillers, who were able to use the potatoes in distilling for their full value and to use them again after distilling as forage for their horses. Distillers have had so many bad years that one good one is only their fair share.

Fancy articles. The trade in fancy articles was a poor one owing to great competition, and to the rapid decline in prices which had taken place in 1890, especially in cotton.

Milling. In the milling industry much fluctuation took place owing to the bad harvests. Wheat rose more than 30 per cent. and rye more than 35 per cent. in price. The usual complaints were made with regard to the corn duties and the freights on grain.

Paper. In the paper manufacture a fall in prices and a weak demand were reported.

Danube. Traffic. The Danube navigation showed a general decline as compared with 1890, principally owing to the decline in the grain traffic and the unfavourable water level of the river; besides which the Danube navigation did not begin till March 17th, owing to the very severe winter. It is not, therefore, surprising that the total traffic conveyed during the year was not much more than half that conveyed in 1890.

Soap. The soap makers complained of a shrinkage in trade, and especially of unfavourable railway and canal rates.

Spirit refining. The spirit refiners complained of losses due to the great fluctuations of the market.

Stone. The business of the stonemasons and the granite works report a middling year, for although no great building activity prevailed, the good quality and durability of the stone produced held its own in the general market.

Watches and clocks. The watch and clock manufacture was depressed owing to great over-production in Switzerland, the Black Forest, and Silesia, and the great importation of cheap American watches.

Wines. The wine trade also complained of depression, but some

hope was expressed of improvement through the action of the new commercial treaties.

OBERFRANKEN.

General remarks. The general state of commerce in this province was unsatisfactory. The causes were over-production and consequent unhealthy competition, unfavourable condition of the stock exchange, diminished purchasing power, high price of raw materials, coal, necessaries of life, and foreign tariffs.

Foreign tariffs. The variations in foreign tariffs deeply affected German commerce, especially the export trade.

Home trade. The home trade suffered much in consequence of poor harvests, which diminished the purchasing power of the people. Many industries had, therefore, to work on without any prospect of profit, in order to keep their business going and give work to their hands. A ray of hope is thrown on the situation by the new commercial treaties with Austro-Hungary, Switzerland, and Italy.

Canal system. The improvement of the *canal system* in Oberfranken has, as is well known, been warmly taken up by Prince Ludwig of Bavaria, and a national association formed for the purpose. In the meanwhile the Chamber of Commerce recommends improvements in the towing system and the laying down of a chain from Aschaffenburg to Bamberg.

Telephones. The *telephone system* is increasing in the large towns, but general complaints are made of the high prices charged.

Hops. *Hops.*—The hop season led to general disappointment, owing to the miscalculations of the stocks in hand, injudicious sales, and unfavourable weather. At the close of the year prices rose and trade improved. A certain amount of Russian hops appeared in the market, a thing hitherto unknown here; but they gave little satisfaction.

Wine. In the *wine trade* business was dull and little change was noted. The competition, however, from Italy steadily increased.

Grain. The trade in *grain* of all kinds suffered considerably from the enormous importation from America.

Timber. *Timber.*—Business was tolerably lively during 1891, with some exceptions. The sawyers and lumber men profited by the low prices of rough timber to buy to advantage. With regard to the "Nonnen" question, it has been found possible to balance to some extent the great increase in stocks from the affected districts by lessening the yearly cuttings elsewhere, but of course individual losses and inequalities of price often took place.

Coffee and rice. A fair business was done both in *coffee and rice*, but in coffee particularly there were great variations of price.

Provisions. The prices of *provisions* in Oberfranken have shown a steady tendency to rise during the last four years, meat having risen in that period 20 per cent., potatoes 30 per cent., and rye flour

as much as 40 per cent. Beer, on the other hand, remained quite stationary.

Building activity in the large towns was stationary or declining, and *brick works* only made moderate profits; nevertheless rates were fairly maintained. Building. Brick making.

The *granite and syenite* works and quarries were fairly busy throughout the year, but general complaints were made of bad means of transport, and extension of the small local railways is demanded. Granite, &c.

The manufacture of *lime* was very dull, and the demand for the article poor. Lime.

On the other hand, the production of *mineral pigments* showed an important increase. Mineral pigments.

In *china and porcelain* the result of the year was not very satisfactory, and it is complained that the new English regulation requiring the mark "Made in Germany" to be visible on each exported article causes much difficulty and inconvenience. In general, selling prices were low. China, &c.

The *glass works* in general complained of bad markets and low prices. Glass.

The production of iron ore during 1891 was only middling, but hopes are entertained of its increase. Iron.

In *cotton-spinning and weaving* the declining prices of American cotton produced a contracted market, as all purchases were made at great risk of loss. In consequence of increased production and the establishment of new spinning and weaving mills excessive competition set in, and profits in cotton yarns and stuffs were reduced to *nil*. The year closed gloomily for manufacturers, with little prospect of improvement. Cotton.

In the *woollen* manufacture similar complaints were made. In hand-loom weaving there was great depression owing to insufficient demand, and in some cases actual distress. The district of Munchberg was an exception to the above rule. Woollens.

In the manufacture of *fashionable stuffs* for ladies' dresses business was tolerably brisk. Dresses.

In *sail-cloth* the demand was poor and prices very low. The new commercial treaties have in no way benefited this branch. Sail-cloth.

In *sewing and machine* silks prices were excessively depressed. Silks.

The manufacture of wood fibre and cellulose suffered from lowered prices and a declining demand. Wood fibre. Cellulose.

The extensive demand for wood shavings and pulp for making paper by the large firm of Weide & Co., of Rosenthal, was the only redeeming feature. Wood pulp.

Brewing was one of the few industries in which there was very little change either in prices or business done. Brewing.

In the *milling trade* speculation was rife throughout the year, and this disturbed and injured real business. Consumption also fell off owing to the rise in the price of grain. Milling.

The decline in building activity generally affected injuriously Building.

the carpentering and parquetry trades. Excessive competition also produced the same effect. But in the manufacture of furniture, piano cases, &c., a better business was done.

Iron. The iron manufacture suffered from the prevailing depression, and demand was feeble at lower prices.

Tin foil. In the *tin foil* manufacture the year was unsatisfactory. Over-production and the McKinley tariff are given as the Gold leaf. principal causes. *Gold leaf* suffered in the same way.

Basket-making. In *basket-making* the same story holds good. The Austrian Commercial Treaty benefited this business to some extent.

Glue and bone trades. In the *glue* and *bone* trades the year was generally unfavourable.

Shoemaking. The shoe manufacture was somewhat more prosperous, and a fair trade was done, and the same may be said of the tanning trade.

Preserves. The manufacture of preserves was injured by the high price of all materials and by the mild spring, which produced fresh fruit and vegetables in abundance.

General situation. In Oberfranken it must be said that hardly any branch of trade and manufacture prospered during the year.

Unterfranken.

General remarks. *General remarks.*—After a period of comparative prosperity, stagnation and general decline of business commenced with the year 1891. The symptoms were unmistakable—over-production, uncertain markets, general retrogression, great variation of prices, forced sales, and reduced profits. Further, the failure in the vintage, the high prices of necessaries, and the decline in the purchasing power combined with a rise in wages to make the year thoroughly unsatisfactory. On the other hand, satisfaction is felt at the conclusion of commercial-treaties with several foreign Powers. The contemplated improvement of the navigation of the Main was also a source of satisfaction, from which great future benefits are confidently expected. Improvements have been made in the breeding of cattle.

Wine. *Wine.*—The vintage of the year 1891 was a complete failure, owing to the exceptionally cold winter and the rainy and cool summer, and also to the attacks of the Peronospera. Generally speaking, the quantity was a minimum, and the quality below average. The chief sales effected were in the common wines and the middling sorts, and these were not satisfactory.

Sparkling wines. The sparkling wine manufacture in Wurzburg also showed a certain falling off, owing to a scarcity in the raw product and the rise in wages, and owing to competition by inferior productions.

Spirits, liqueurs, mineral waters. The manufacture of *spirits*, *liqueurs*, and of *mineral waters* are all reported unsatisfactory. On the other hand, some improvement showed itself in the brewing trade.

The dealers in *grain* and *flour* and the *millers* did a better business; the barley harvest, in particular, showed an improvement. Grain and flour. Milling.

The trade in *fruit*, *pulse*, and *prepared fruits* was fairly good. Fruits, &c.

The *cheese* business did fairly well; but at the end of 1891 was a marked falling off in the demand, which caused a considerable fall in price. Cheese.

The sale in *herrings* was also poor. Herrings.

Tobacco.—There was a steady decline in this business during 1891. Tobacco.

In the *sugar* manufacture the demand was scanty, and prices depressed, owing mainly to the diminished purchasing powers of the lower classes. In the speciality of caramels, which has an important branch at Kitzingen, a good and increasing business was done, and it is stated that the consumption of this article has multiplied at least tenfold since the year 1880. With regard to the export of sugar, it is averred that the indirect export premiums on raw sugar from Germany to England and elsewhere have the effect that the English sugar refiner obtains this article 20 to 25 per cent. cheaper than the German sugar refiner does, so that the latter has great difficulty in competing abroad. Sugar. Caramels.

Cattle and *meat* trade.—The meat trade suffered in 1891 from the high price of cattle. The large firms were better able to stand the unfavourable circumstances of the year than the smaller ones. In the last quarter of 1891 some slight improvement took place, dealers being able to buy meat wholesale on rather easier terms. The demand for meat among the working classes fell off somewhat in the winter owing to the scarcity of employment. Cattle and meat.

The *Fish* supply of the Main and neighbouring rivers suffers much from the chemical works of the district, and from river canalisation, but the Fishery Association recognise that such canalisation will be, and already is, a greater benefit than any incidental injury done to the fish can counterbalance. But efforts are being made to diminish the injurious refuse and foul water poured into the river from chemical works. Fish.

In *chemicals*, *chemical dyes*, *and drugs*, the year was unfavourable owing to a general decline of the purchasing power of the people and a superabundance of raw materials in the market. The result was that business shrunk to a minimum, and was carried on at a profit. Some improvement was noted in the cost of transport owing to reduced railway rates, by which exports were facilitated. Chemicals. Drugs.

In the *dye* manufacture the year was unsatisfactory. The high import duty on linseed oil was very injurious. Dyeing.

Textiles, *clothing*, *cloth*, *and woollens.*—The decline in the manufacture of cloth was principally attributed to the effects of the McKinley Law, under which American spinning and weaving factories have been largely set up to supply the North American market to the disadvantage of German producers. Textiles.

Woollens. In the woollen manufacture no real improvement has shown itself, although recent changes in foreign tariffs have been satisfactory. The price of the manufactured article is exceptionally low, particularly when taken in relation to the price of the raw material.

Horsehair. The manufacture of *horsehair* for mattresses and bedding was fairly prosperous with increasing sales. Some complaints, however, were made of high rates for freight, and of increased import duties into several foreign countries.

Ribbons and small articles. Similar complaints were made in the manufacture of linen and woollen articles, ribbons, buttons, and thread.

Metal manufactures. In the *metal* manufactures prices continued to decline, and differences of 20 per cent. were noted from one week to another in the price of the raw material so that business became little more than a game of speculation, and in many cases enormous losses were sustained. Attempts to utilise the strikes in Westphalia, in order to raise prices, were generally unsuccessful. Confidence was much shaken, and over-production was so considerable that the general state of trade was thoroughly unsatisfactory. Hopes were expressed that improvements in the general system of communication may partially relieve

Coal. trade. In the production of *coal*, on the other hand, the year was a prosperous one, and during the first half of the year sales were very lively, but the winter of 1891 brought falling prices.

Iron plates. The manufacture of *iron plates* at Aschaffenburg showed a considerable increase, although at reduced prices.

Machinery. The manufacture of machinery showed a decline during 1891, chiefly owing to the McKinley Law. Complaints are also made of the want of better means of communication. The report on the same subject from Schweinfurt showed somewhat better results, but profits were low. A slight rise in wages took place.

Hard steel balls. A new manufactory of hard *steel balls* has been established in Schweinfurt, principally with the purpose of supplying bicycles and tricycles with this article. The results are up to the present considered satisfactory.

Building. In the year 1891 a decline in *building* activity showed itself, due in great part to excessive building speculation, and also to the state of the money market.

Quarries. It is stated that great benefits would accrue to the stone quarries of Unterfranken if the chain on the river Main were laid, as projected, as far as Bamberg. The building trade has been much affected by the Imperial Insurance Law, 1884, which continually causes increasing expenditure in pensions and otherwise. From Aschaffenburg is reported a partial revival of trade, partly owing to works of restoration at St. Sebald's in Nurnberg, and an increased demand in Munich. A new quarry was opened at Teichtrogen, and is found to give an excellent and durable sandstone. Prices vary little during the year, and wages remain the same. The new insurance law was very

ill received by the working men, who consider that they profit but little under it, the average limit of life in these trades not exceeding forty-five years. There was also a local demand for stone for railway and river harbour works. The export of stone to Hesse and the Rhine was much checked by high railway rates.

The *lime* production of the same district is more prosperous, but is also much in want of improved means of communication, especially the canalisation of the Main. Lime.

The glass manufacture is suffering depression owing to the state of foreign markets and the general state of trade. Glass.

Timber trade.—The continual rise in the price of raw material combined with low selling prices to diminish profits. The best quality of large oak is becoming rarer in South Germany, and has to be imported from Hungary and even Bosnia. Complaints are made of railway rates and of the system of measuring timber over the bark. A considerable demand existed for railway waggons. Wages rose somewhat. Timber.

In 1891 the trade in pine and fir wood showed some improvement, owing to the large quantities of wood sold after the "Nonnen" ravages. Fir.

The diminished building activity injuriously affected the demand for timber for buildings of all kinds.

In Aschaffenburg and in Mittenberg a local demand kept business rather more brisk.

The *cask* manufacture in Kitzingen suffered from the poor vintage. Casks.

The manufacture of *reels* and *small articles* was injured by the Swedish competition, and was much depressed. Reels, &c.

Good business was done by the *refrigerator* factory in Aschaffenburg. Refrigerators.

In the *leather* manufacture generally business was much restricted, the wholesale dealers buying only from hand to mouth. The decline and trade losses were most marked in the shoemaking branch. Injury is also done by the sale of cheap goods of very inferior and unsound quality. The causes for this decline are partly given as over-competition and also a general rise in the price of the necessaries of life. The rise in the duty in Switzerland is also complained of. Leather.

The manufacture of *wax* was carried on at very depressed prices, but with increasing sales. Wages rose. Great complaints are made of colportage and commission agents. The improvement of the Main navigation is much desired. Wax.

Paper manufacture and printing.—All branches of paper manufacture suffered from the general depression of trade, but some more seriously than others. The manufacture of coloured papers increased in quantity, but at much lower prices, so that profits were reduced to a minimum. The French and American tariffs were described as the cause in part of this state of things. In white paper both sales and prices fell off, while the Paper manufacture.

prices of raw material rose. The production of cellulose suffered likewise.

Wall-papers. In wall-papers there was great over-production, and, as sales only increased in a small degree, prices fell enormously. Attempts are being made, by an association of producers, to improve generally the processes of manufacture, and to further and protect the interests of manufacturers in Bavaria.

Lithography. The *lithographic* industry was more prosperous, and showed a slight increase of trade.

Minor trades. In the "minor trades" (Kleinhandel) the following is reported:—

Colonial wares. The business in colonial wares was rather extensive, but at very low prices, so that profits were at a minimum. The same

Tobacco. may be said of cigars and tobacco. In toys and fancy articles

Toys. there was very little demand for the better sorts of goods, the chief sales being in cheap articles. Profits continued very low.

Small articles. In thread, needles, buttons, and such small articles (Kurzwaaren), great complaints were made of sales below cost price, which injured real sound business. The same complaint was

Mattresses. made in the branch of *mattress* and *bedding* manufacture.

Porcelain. The *porcelain* and *earthenware* industry also suffered from colportage and underbidding by inferior goods.

Spirits and liqueurs. Considerable decline was shown in *spirits* and *liqueurs* owing to the excise.

Worsteds. In *worsteds* and *linens* but a poor trade was done, the only improvement shown being in the manufacture of shirts. The export trade was particularly bad.

Umbrellas, muffs, &c. Some increase of business was shown in *umbrellas, parasols, muffs, furs, stays*, &c.

Colportage. General complaints of colportage and house-to-house touting are made in all these branches of trade.

Jewellery. The production and sale of *jewellery* suffered from the general depression of trade, and this was especially felt at the close of 1891.

Optical instruments, &c. Some depression was shown in the manufacture of *optical* and the finer *mechanical apparatus*.

Bookbinding. The same may be said of the *bookbinding* trade. Orders were scarce, and complaints were made of the injurious effect of movements among the workmen.

MITTELFRANKEN.

General remarks. *General remarks.*—The year 1891 did not in general bring any great changes in the commerce of Mittelfranken.

The state of trade, wages, and profits was reported the same as in 1890. Some complaints were made of the vexations and annoyances caused by the new insurance law. Satisfaction was expressed at the working of the new commercial treaties and hopes expressed that more may be done in this direction.

Colonial wares.

In colonial wares the first half of the year was calm, the second half agitated by speculation, which unduly depressed prices, especially in coffee, leading to much loss by coffee dealers and importers. In sugar, dealers made moderate profits, as producers were willing to sell at low prices in view of the abundant beet crop.

Electric lighting and apparatus.

In electric lighting, Schuckert & Co. report a profitable business done, sales brisk, but at slightly lower rates owing to increased competition. Electric apparatus for war and marine purposes were in satisfactory demand.

Vinegar.

The production of vinegar was unprofitable. The high price of spirit continued, while vinegar sold at former rates. Distillers similarly suffered, as the demand for refined spirits was small, and the reports of a change in the spirit duty injured business.

Spirits.

Bronze.

In bronze casting, business was much as in 1890. Some good work was done, but the price of copper varied greatly.

Paints.

The manufacture of paints extends itself yearly so as to meet all continental requirements, but is unable to extend itself beyond seas, owing to the powerful English competition.

Milling.

The milling industry had a very lively year, owing to great variations in the price of grain and the great uncertainty whether the grain duty would be reduced. Nevertheless in many cases a fair business was done.

Engraving and stamping.

In the engraving and stamping business some improvement was shown, chiefly owing to the new aluminium manufactures. Wages and prices were much the same as in 1890.

Timber.

The timber merchants did a poor trade owing to the falling off in building activity and diminished export of planks, &c., to America. Oak parquetry floors are increasingly in demand. The manufacture of casks fell off greatly owing to the decline of one-third in the production of the material in Hungary.

Hops.

In the hop trade, which is so important in Mittelfranken, the scanty harvest of 1891 following on the abundant one of 1890, caused immense variations of price, and in the latter part of 1891 prices fell so low that brewers made considerable profits in their purchases, to the disadvantage, however, of the hop growers.

Confectionery.

In the confectionery and chocolate manufacture very little profits were made. In the confectionery branch the price of raw materials rose very greatly, while the demand for very cheap qualities of chocolate kept down profits in that branch also.

Railway waggons.

In the manufacture of railway waggons, trucks, and carriages great complaints were made that export markets were practically closed to Bavarian manufacturers, partly owing to customs, tariffs, and other causes. Belgian waggons compete successfully in German markets, and the German railways borrow each other's waggons and carriages to save expense.

Metal wares.

In metal wares but little change was noted since the previous year. Some benefit accrued from the new com-

mercial treaties, but the protective tendency in Sweden and Norway was injurious to exportation. Piece-work pay has largely been replaced by weekly wages.

Furniture. In the manufacture of furniture good profits were made, and prices and wages continued at previous rates.

Night lights. In the manufacture of night lights a slight decline was noticed.

Optical and other instruments. The optical instrument makers report no change in their trade, except a slight rise in wages. The mathematical instrument makers report a great decline in sales at the close of the year.

Tobacco. The tobacco producers complain of stagnation of business and diminished consumption, anxiety being felt lest the tobacco duty should be increased. Cheap tobacco for chewing was increasingly in demand.

Ultramarine. The manufacture of ultramarine reported a fairly satisfactory year owing to the absorption of all the German firms in one large company which was able to deal with the needs of the times, but the price of raw materials rose considerably.

Wine. 1891 was an unfavourable year for the wine trade. The quality was bad, and the quantity not large. Prices rose, and the importation of foreign wines was checked by the expectation of changes in the commercial treaties.

Tinfoil. Good sales were made by the tinfoil manufacturers, but at very reduced prices. Exports were checked by foreign tariffs.

Summary of 1891.

General outlook. The general outlook of trade in 1891 was unsatisfactory. Over-production, the high foreign tariffs, poor harvests, and a general shrinkage in the purchasing power of the community combined to depress business.

It may be noted, however, that in many branches manufacturers held their own. Wages were on the whole stationary: no great strikes occurred, nor were there many commercial catastrophes. The complaints against the new Sickness and Old Age Insurance Law were universal. Those against colportage, &c., seem less well founded, as if the touts and colporteurs offer inferior and unsound goods, they are not likely to retain permanent custom. *Caveat emptor* seems essentially to sum up this angrily disputed matter.

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1893.

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DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

BAVARIA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF BAVARIA.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1188.

Presented to both Houses of Parliament by Command of Her Majesty,
SEPTEMBER, 1893.

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BAVARIA.

MUNICH.

Mr. Drummond to the Earl of Rosebery.

My Lord, *Munich, August* 20, 1893.

I HAVE the honour to transmit herewith enclosed a Report on the Commerce of Bavaria for 1892, drawn up by Mr. Helyar, Second Secretary to Her Majesty's Legation.

The report shows a general depression in trade of all kinds, with the exception of beer, arising from over-production, the curtailed purchasing power of the people, the cholera epidemic, low prices, and high tariffs.

I have, &c.

(Signed) VICTOR DRUMMOND.

Report on the Commerce of Bavaria for the Year 1892.

ABSTRACT of Contents.

	Page
General depression	2
Textiles	2
Machinery	2
Iron	3
Coal and minerals	3
Leather goods	3
Lead pencils	3
Glass and china	4
Toys	4
Books and paper	4
Clocks	4
Matches	5
Furniture	5
Timber	5
Building	5
Beer	5
Wine	6
Spirits	6
Dairy produce	6
Exports to United States	7

General Situation.

Depression of trade.

The year 1892 was undoubtedly, from an industrial point of view, worse than its predecessor. From all parts of Bavaria, with the possible exception of Schwaben, come in reports of unfavourable markets, profits turned into losses, and declining manufactures. The causes to which this state of things is attributed are several, and, unfortunately, only one of them is temporary. The

Cholera.

cholera epidemic, which devastated Hamburg in the summer of 1892 had far-reaching, though fortunately temporary, effects in distant parts of Germany, and depressed the export markets of Bavaria in a sensible degree, and for a considerable period.

Over-production.

It is considered that, although the depression of trade has largely stopped over-production, still during a portion of the year over-production existed in certain branches of manufacture.

Foreign tariffs.

The severe effects of foreign tariffs in those countries to which Bavaria largely exports, viz., France, Russia, the United States, and in a less degree Italy and Austria (in spite of the new treaties), have been seriously felt in this country.

Rise of taxation.

Bavaria is not heavily taxed, but complaints are made of the gradual rise of taxation, and still more of the threatened burdens caused by the Militär Vorlage.

Reduced purchasing power.

The purchasing power of the people, and especially of the peasantry, is slack. This is largely caused by the unsatisfactory prices of agricultural produce. True, the harvest of 1892 was a good one, but its influence has not been sufficient to balance the other depressing causes, the price of wheat especially is very low, and disease rife among cattle.

No relieving feature.

And lastly, there has not been during the year any stimulus or favourable impetus given to any one branch of industry to lift it out of its present dull and depressed condition, a condition which is the more noticeable as the year has been comparatively free from disturbing political complications.

I will next deal with the main and principal staples of Bavarian manufacture, especially such as are exported to the United Kingdom, or come into competition with British goods, *e.g.*, textiles, machinery, iron, coal, and other minerals, leather goods, pencils, optical and other scientific instruments, toys and fancy goods, glass, china, paper, books, clocks and watches, matches, timber, furniture, the building trades, beer, wines, spirits, and dairy produce.

Textiles.

In textiles the year was a very dull one, the want of purchasing power being severely felt. A slight improvement in woollens was followed by a brisker demand for cotton stuffs at the end of the year, particularly at Augsburg, but as a whole trade was bad, the Pfalz being an especial sufferer.

Machinery.

The machinery manufacture was at a low ebb, the demand being slight and declining. Both the raw material and the finished article were at very low prices. Much complaint was made of the effect of the high protective Austrian tariff. In the Pfalz rather more business was done.

Iron generally, both cast and wrought, was dull and little in demand. Profits were at a minimum, and in many cases became losses. The causes assigned are the decrease in building activity generally following as a reaction on a previous excess, and the high duties on iron in Austria and Italy, which exclude Bavarian iron from what is considered as "its natural market." Little prospect is held out of any improvement. Many works were only kept going in order not to lose custom permanently, and for the sake of keeping on the old and experienced hands. Iron.

The coal trade in Oberbayern was dull and prices low, the production being in excess of the demand (the reverse was the case in 1891). Only for the lighting of streets by gas was there a slightly increased demand. At the end of the year the labour market was slightly disturbed. Coal.

The production of building stone, &c., from the quarries of Niederbayern and the Oberpfalz suffered from the general depression and the decline of building activity. This was to some extent compensated by an increased demand for paving stones from Vienna. Great complaints were made of the severe competition of water-borne stone from Sweden and Norway to North Germany, which is admitted duty free. Other minerals.

The marble quarries at Kiefersfelden (Oberbayern) reported, however, an active demand and satisfactory prices. Fine specimens of the products of these quarries are being exhibited at the Chicago Exhibition. The marble and stone quarries of the Pfalz, on the other hand, were generally depressed.

In leather goods, both raw and manufactured, the year was a very poor one. Many causes are assigned, *e.g.*, excessive colportage, flooding the market with "cheap and worthless" articles, and the competition of the labour of prisons and reformatories; but the main cause seems to be the general one of want of purchasing power in the people. Sheepskins and lambskins met with somewhat better sales. Wages generally maintained their level. Leather goods.

The production of lead pencils, which is considerable in Bavaria, is much affected by Austrian competition. The high tariffs in many foreign countries have contracted the export markets, and the consequence is a glut of pencils in Bavaria and Germany generally. Lead pencils.

It may be of interest here to give the substance of a statement by Mr. Johann Faber, the large Nürnberg pencil manufacturer. He states that the price of cheap sorts of pencils has so fallen that in many cases work is carried on without profit, and some factories have had to stop work. It is asserted that the Austrian pencils, taking Hardtmuth's as a type, are in no way superior to the Bavarian product, and yet are ousting the latter from Bavarian towns and schools, a fact which leads to many complaints. In almost all directions export is checked abroad, in Spain and Portugal by the fall in exchange, in Russia and the United States by the competition of protected industries. The troubles in South America have also affected the demand for

German pencils there. He considers that England is flooded with cheap American pencils to such an extent that the Nürnberg article has no chance of finding a sale. American cedar pencils are sold in England at 1*s.* 8*d.* to 1*s.* 9*d.* per gross. German manufacturers can, therefore, only compete in the middling and best sorts. He further complains of the inconsistencies and anomalies of the German and Austrian tariffs and of the vexatious provisions of the McKinley Law.

Optical and scientific instruments.

In the branches of optical and other scientific instruments the reports from Nürnberg and Munich manufacturers were somewhat better than in other lines of industry, although great complaints are made of the crippling effect of foreign tariffs, particularly in Russia and the United States. In Nürnberg business was active, and the different works fully employed.

Toys and fancy goods.

In toys and similar fancy goods, for which manufacture Nürnberg is so well known, general over-production and no profits are reported, the demand failing to balance the supply. The quantity of export was partially maintained by working without regard to profit, and at cost price. Foreign tariffs and the troubles in South America contributed to this unsatisfactory state of things.

Glass.

The production of glass in its various forms in Bavaria is largely directed to the American market, which has, however, been very unfavourable of late years owing to the McKinley Law, and the considerable American competition. 1892 was even worse in this respect than 1891. Markets ruled dull and prices low. Reduction of production was spoken of. At the very end of 1892, however, a slight glimmer of better prospects showed itself.

Porcelain and china.

The trade in porcelain and china was somewhat better, and the china factory at Nymphenburg did an improved business.

Paper.

The manufacture of paper was much depressed during the year owing to over-production, and prices fell heavily.

Book trade.

In the Bavarian book trade the year 1892 was one of the worst on record. The great strikes early in the year completely upset business, and from this blow it has not yet recovered. The victory of the employers gave them leisure to organise themselves more completely in associations, and to systematise work and scales of pay. But the state of the market shows no signs of recovery. This is partly attributable to excessive competition, but also to the very large number of holidays in vogue in Bavaria, which reduces the competitive power of the workman. Orders tend to go to Leipzig, &c. In 1892 there were about 100 workmen out of work in this trade throughout the year, while in 1891 there were at most 20. The book trade in Regensburg was likewise poor. The same may be said of the book-

Bookbinding

binding trade, in which the small firms are being rapidly extinguished by the competition of the larger ones.

Clocks and watches

The depression in the Swiss watch trade severely affected that of Bavaria, as quantities of goods were unloaded at ruinous prices on to the Bavarian market. At the end of 1892 there were slight

signs of improvement. The business done in large church and tower clocks, however, was more satisfactory, and the demand increased. The manufacture of watch springs in Augsburg suffered, especially from the depression of the watch manufacture in the Black Forest, which is supplied with springs from Augsburg.

Matches. The manufacture of matches in Augsburg reports a fair increase in business done, but no improvement in prices. Safety matches are more and more largely ousting the cheap phosphorus matches from general use. The new match factories in Japan and China are injuring the export of Bavarian matches to Asia, and the export trade was also affected by the closing for a time of the port of Hamburg through cholera; still the export, on the whole, increased. From Regen in Neiderbayern a poor report is given of a stationary demand, and a rise in wages and in the price of chemicals.

Timber. The important Bavarian timber trade underwent considerable variations in 1892. The year opened with forest sales at advanced prices, but in the spring the quantity of timber thrown on the market by the "Nonnen" ravages brought down prices very much, and only recovered about 5 per cent. in July. In the autumn and winter they were again weak, and the market flat. The effects of the "Nonnen" pest may be considered past, and the supply of rough timber is likely to decline for some time. Complaints are made of the very high freight rates for sawn planks, which check the sawing trade. The cellulose manufacture, on the other hand, is prosperous, and business increasing. A temporary check was noted in the traffic in floating timber by river and canal, but this is expected to improve with a recovery in building activity and the cessation of the effects of the "Nonnen" pest. Other causes of this depression, which was especially severe in sawn and prepared timber, were the McKinley Law, preventing exports to the United States, and the competition in Germany of timber from countries (*e.g.*, Russia) where freight rates are lower than in Bavaria.

Furniture. The decline in the purchasing power of the public has led to the demand being confined almost exclusively to the cheapest kinds of furniture, and at nominal prices. Novelties were much in request.

Building trades. In the building trades there was a decided steady decline, as building activity generally fell off. It must not be forgotten that in the last few years there has been an excess of building in Bavaria, especially in Munich, leading to the present reaction.

In certain towns, Nürnberg for instance, the orders given for public buildings have to some extent assisted trade. In general, however, all trades and industries connected with building ruled dull and flat.

Beer. The brewing interest is one of the few in Bavaria which has suffered little or nothing from the prevailing depression. It did not go deep enough for that. Luxuries, and even comforts may be cut down, but beer in Bavaria is a necessary of life. The

great Munich firms report a steady business, which increases at least in proportion to the growth of population. Profits were fair, and the supply of hops and barley satisfactory, at moderate prices. From Regensburg the reports are not quite so good, still a fair business was done.

Wine. The reports from Franconia show that 1892 was a good vintage year. The new commercial treaties have led to a considerable increase in the import of wine from Italy for mixing purposes. In the Pfalz the intense summer heat of frequently over 100° Fahr. burnt up many of the grapes, but the quality of the vintage was excellent, and sales were rapid and profitable. The general wine trade of Bavaria had difficulties to contend with in the too general practice of inferior merchants of adulterating wine with sugar water, enabling them to undersell the genuine wine merchants and deceive the consumer. The demand for German wine was considerable during the year, and little fear is felt of Italian competition, as Italian wines are too rough and heavy for the German taste.

Spirits. The Bavarian spirit manufacture suffered during the year from a continuous decline in price causing great losses on stocks. The causes were an abundant potato harvest and much over-production. Great complaints are also made of the frequent increases and rumours of increases in the spirit duties which unsettle business. The demand was fairly maintained, but from the above causes the business done was unsatisfactory.

Dairy produce. The large steam dairy and creamery at Holzkirchen reports that the first half of 1892, although quiet, gave fair results, but the cholera (stopping the export through Hamburg) and cattle disease in the second half of the year crippled business. Another cause which injures the sale of dairy produce is the increasing use of margarine. The export of cheese from Franconia suffered from the same causes. In the Allgau the business done in butter was satisfactory, a good export being maintained through the year. But in round cheeses and "brick" cheeses the year was unsatisfactory as the price of milk was too high in the winter for any profit to be made, while the dread of cholera kept down the summer demand. The export of "brick" cheeses to Switzerland is diminishing yearly.

Prices of principal articles of consumption. The following table gives the prices of the principal articles of general consumption in Bavaria for the last four years :—

Articles.		1889.	1890.	1891.	1892.
		Marks.	Marks.	Marks.	Marks.
Wheat	1,000 kilos.	197	213	240	205
Rye	,,	160	179	210	182
Barley	,,	166	196	180	164
Oats	,,	151	178	160	137
Wheat flour	100 kilos....	31	33	35	33
Rye ,, ...	,,	27	29	33	31
Potato spirit*	10,000 litres.	55	58	71	58
Pig-iron, best Scotch	1,000 kilos.	83	93	82	73
,, English	,,	66	72	62	59
Coal, Westphalian	,,	21	24	23	21
,, English	,,	19	20	21	21
Raw sugar	100 kilos....	40	34	36	37
Refined sugar	,,	64	56	57	58
Coffee, Santos	,,	164	176	163	150
,, Rio	,,	160	171	163	142
Rice, Rangoon	,,	19	18	19	20
,, broken	,,	16	15	16	17
Pepper	,,	133	104	80	61
Herrings, Norway...	150 kilos....	26	24	31	24
,, Scotch	,,	30	33	37	31
Petroleum	100 kilos....	14	13	13	12
Raw tobacco, Domingo	,,	92	93	83	80
,, Brazil	,,	125	127	110	104
Cotton	,,	113	115	90	81
Wool	,,	378	379	352	329
Lead	,,	28	29	27	23
Copper	,,	115	122	116	100
Raw silk Indian	1 kilo. ...	53	54	45	48
,, China	,, ...	47	47	43	41

* This price is for spirit which has not yet paid duty.

Exports to United States of America.

The following were the exports to the United States from the United States' Consular districts of Munich and Augsburg, comprising nearly all Bavaria, for the last four years :—

Year.	Value.
	£
1889..	214,085
1890..	256,441
1891..	165,091
1892..	194,552

The largest export per quarter in 1892 was during the third quarter of the year, chiefly owing to the large increase in the export of pictures.

Conclusion.

It will be seen from the foregoing report that while hardly any branch of manufacture, with the exception of beer, escaped the prevailing depression; yet that depression has not been of a disastrous character, and in one or two lines of trade the year 1892 closed with some prospects of revival, while the consumer has necessarily benefited by the prevailing low prices.

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BELGIUM.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF THE DISTRICT OF THE CONSULATE-GENERAL OF ANTWERP.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1041.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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1158.	Paris	1½d.
1159.	Bengazi	1d.
1160.	Santos	2½d.
1161.	Buenos Ayres	1½d.
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1185.	Callao	1d.
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BELGIUM.

ANTWERP.

Consul-General G. R. de Courcy Perry to the Earl of Rosebery.

My Lord, *Antwerp, April* 19, 1893.

HEREWITH I have the honour to enclose to your Lordship my Report on the Trade and Commerce of Antwerp for the year 1892, to which is annexed Mr. Vice-Consul Hallet's Report on the Trade of Ghent for the same period.

I have, &c.

(Signed) G. R. DE COURCY PERRY.

Report on the Trade and Commerce of Antwerp for the Year 1892.

ABSTRACT of Contents.

	PAGE.
Trade and commerce	1
Importations	2
Liquor traffic	4
Food products	5
Shipping and navigation	5
Seamen's money orders	6
General remarks	6
Trade of Ghent	7

Trade and Commerce.

It was scarcely to be expected that Belgium would escape feeling the effects of the general depression of trade that was experienced during the year 1892 in every country throughout the world, and it is, therefore, not surprising to find that both imports and exports show a considerable falling-off, as the following figures prove :—

The aggregate value of the imports are stated to be

1,355,344,000 fr., equal to 54,213,700*l.*, or less by about 11 per cent. compared with 1891. The exports are valued at 1,239,125,000 fr., say, 49,564,200*l.*, a falling-off of 5 per cent.

The commercial depression was no doubt aggravated by the outbreak of cholera, which not only visited Antwerp with considerable severity, but infected nearly every town and village in the country.

In view of the quarantine restrictions placed on vessels coming from Antwerp—especially by the various South American Republics, with which countries Belgium carries on a very large trade—business transactions with Brazil, Chile, Peru, and the River Plate during the months of September, October, and November were reduced to a minimum.

As an illustration of the injury sustained by the country generally in consequence of the visitation of cholera, it may be mentioned that the passenger receipts at the principal station at Brussels (Gare du Nord) fell from 1,400,000 fr. (56,000*l.*) in August to 750,000 fr. (30,000*l.*) in September.

There was also a decrease of over 1,000 in the number of passengers by the Great Eastern Railway Company's Service viâ Harwich.

Importations.

Coffee. The total number of bags of coffee imported into Antwerp during the year 1892 was 718,703 bags, or an increase of 126,920 bags over that of 1891.

The stock on hand at the end of the year was 75,000 bags. As usual Brazilian coffee occupied the first position, the total number of bags received from that country being 457,912, or more than 50 per cent. of the whole.

Cereals. The following table gives the quantity and description of grain imported during the year :—

Description.	Quantity.	
	1891.	1892.
	Bushels.	Bushels.
Wheat	48,691,800	35,550,324
Maize	6,855,300	6,942,723
Barley	5,543,100	4,014,292
Oats	4,014,900	1,678,295
Rye	3,623,400	894,140
Buckwheat	..	126,916
Total	68,728,500	49,206,690

Or less by 19,521,810 bushels, as compared with the previous

year. The falling off was from the Black Sea and Sea of Azov, the Danube, and from British India.

Flour. The imports of this article amounted to 433,049 bags, as against 506,928 bags in 1891. As usual the United States stands first, with a total of 285,400 bags.

Hemp. There was a considerable increase in the importation of this article during the year, viz., 40,531 bales, compared with 31,578 bales in 1891. Of the total number 12,907 bales were from Calcutta.

Jute. There was no direct importation of jute during 1892, the total number of bales, viz., 3,854, having been shipped from the United Kingdom.

Cotton. There was a marked decline in the importation of this staple. In 1891, 340,332 bales were landed, in 1892 the aggregate number was 251,027 bales, or less in the latter year by 89,305 bales. British India furnished no fewer than 142,779 bales of the total quantity.

Hides. There was also a decrease of about 118,000 in the number of hides imported, the total number being 1,319,637, compared with 1,437,745 in 1891.

The ivory market showed increased activity during the year, the number of tusks landed being 14,210, weighing altogether 277,666 lbs., all of which came from the Congo and from Central Africa. The prices realised, however, were somewhat lower than those obtained during the preceding year.

The next public sale will take place on May 3, to be followed by two others, viz., on August 2 and November 3 respectively.

Wool. The state of the Antwerp market was again unfavourable to importers of this staple. The number of bales received were about the same as in 1891, viz., 91,497, against 91,692 bales in the former year. Of the foregoing number, 31,053 bales only changed hands at the public sales, the remainder having been landed in transit.

During the year 1892, 1,542 bales of Australian wool and 282 bales of Cape wool were also sold.

Nitrate of soda. There was a slight decrease in the quantity of this fertiliser received during the year, namely, 58,500 tons, against 66,000 tons in 1891. The demand was not so great, and prices receded.

Petroleum. The past year proved most disastrous to speculators in American pretroleum, prices having gradually fallen until towards the close of the year they touched the lowest point on record, namely, 12 fr. 50 c. (10*s.*) per barrel.

Notwithstanding this very serious condition of the market, the quantity exported exceeded that of the previous year by 151,945 barrels, the total number being 688,299 barrels, against 536,354 barrels in 1891.

Although trade between Antwerp and Batoum was almost at a standstill for close upon three months of the year, in consequence of the outbreak of cholera, nevertheless no fewer than

274,500 barrels of petroleum were received from that port. In 1891 the number of barrels was 263,800.

The Russian oil realised slightly better prices than the American.

Rice. Although, as usual, British Burmah occupies the first place in the list of countries from which rice imported into Antwerp is obtained, the number of bags derived from that country in 1892 was considerably less than in the previous year. The total imports from all parts reached 676,809 bags, of which 387,582 bags were from Burmah. In 1891 the figures were as follows:—

	Number of Bags.
Total	738,356
From Burmah	513,275

Sugar. Beetroot sugar to the extent of 60,000 tons was exported from Antwerp during the year 1892. As in the previous year, a large proportion of the above quantity went to the United States. The United Kingdom came next, with 20,103 tons.

The importation of cane-sugar shows a marked increase. The figures are as follows:—

Year.	Bags and Cases.
	Number.
1891..	64,100
1892..	122,834

Egypt contributed by far the largest proportion of the increased quantity.

Tobacco. The following is a return of the quantity of tobacco imported into Antwerp during the year 1892:—

Hogsheads.	Cases.	Bales.
Number.	Number.	Number.
13,350	8,459	19,170

Unfortunately, at the beginning of the year a large quantity of tobacco of a very inferior quality was placed on the market, but, as cheapness more than quality seem to be the desired object, especially of country manufacturers, prices realised were a trifle above the average.

Liquor Traffic.

No statistics showing the consumption of beer and spirits in

Belgium are obtainable, but the quantity must be enormous. In Antwerp alone there are no fewer than 3,563 "estaminets" (public-houses), without counting the numerous hotels, restaurants, and cafés of a better class.

There are 31 breweries and 13 distilleries in Antwerp.

Food Products.

Antwerp is so conveniently situated for the London and other large markets of the United Kingdom that vast quantities of fruit, vegetables, poultry, eggs, &c., are shipped daily by the steamers of the Great Eastern Railway Company to Harwich.

The value of the fresh fruit alone sent to the United Kingdom during the season may be estimated at over 100,000*l.*

The number of eggs exported to England during the year may be calculated at over 210,000,000, of an estimated value of 680,000*l.* The eggs are collected from a great many continental countries and sent to this port for convenience of shipment.

Shipping and Navigation.

It will be observed from the following table that the number of vessels entering the port of Antwerp during the year 1892 was fewer by 120 than in 1891, and that the decrease in the aggregate tonnage amounted to 193,147 tons. Although the number of British vessels was less by 87 than in the preceding year, the British flag maintained its pre-eminence both as regards number of vessels and tonnage.

RETURN of all Shipping at the Port of Antwerp during the Year 1892.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
American	5	8,556	16	35,434	21	43,990
Austrian	3	1,843	6	8,176	9	10,019
Belgian	2	299	279	446,704	281	447,003
British	322	131,377	2,074	2,312,409	2,396	2,443,786
Danish	24	3,442	126	111,086	150	114,528
Dutch	14	10,129	62	76,545	76	86,674
French	10	1,779	109	113,232	119	115,011
German	44	23,348	669	845,389	713	868,737
Greek	...	...	29	49,788	29	49,788
Italian	16	10,290	14	23,553	30	33,843
Norwegian	100	45,557	154	81,074	254	126,631
Portuguese	...	...	11	9,277	11	9,277
Russian	8	5,043	22	18,502	30	23,546
Spanish	...	...	49	41,165	49	41,165
Swedish	17	5,411	136	80,683	153	86,094
Total	565	247,074	3,756	4,253,017	4,321	4,500,091

RETURN of Shipping at the Outports.

Name of Port.	Number of Vessels.	Total Tonnage.
Ghent	978	499,974
Ostend	493	186,815
Brussels	133	23,264
Louvain	12	1,747
Nieuport..	61	18,496
Termonde	4	508

Compared with the preceding year there was a considerable falling-off in the number of vessels arriving at the outports during 1892. This was especially the case at Ostend, where the number was fewer by 111 vessels, and the tonnage less by 69,836 tons.

Seamen.

The number of seamen discharged from and shipped on board British vessels at Antwerp during the year 1892 is as follows :—

	Number.
Discharged	8,714
Shipped	8,801

Seamen's money orders.

The benefit derived by seamen through the foreign money order system will be better appreciated when it is stated that during the year 1892 no less a sum than 13,835*l.* 9*s.* 9*d.* was remitted to the United Kingdom by money orders issued at this Consulate-General to seamen serving on board English ships.

General Remarks.

It is unquestionably the fact that Antwerp is suffering considerably from the almost universal depression of trade, but it is a question for grave consideration whether the abolition of the river and port dues, or at all events a substantial reduction of those charges, would not tend to greatly improve the situation? The subject has been discussed in all it bearings in the Belgian newspapers, and quite recently Baron Van Havre wrote and published a very able paper on this important subject, which has attracted considerable attention.

The difference of opinion that exists between the local authorities and the supreme Government as to the proportion each should bear in any direct loss of revenue that would ensue from abolishing the river and port dues seems to be no nearer a settlement than it was 12 months ago, and in the meanwhile the neighbouring ports of Rotterdam and Hamburg are deriving great benefit through having adopted a more liberal policy.

GHENT.

Mr. Vice-Consul Hallett reports as follows:—

New docks. In my report for the year 1891 I ventured to predict that before my next appeared some important improvements would be effected at this port in regard to its shipping accommodation; this prediction has been realised. On June 17, 1892, the Ghent dry docks were opened by the entrance of the British barque "Endymion," which had arrived on May 28 from Iquique with a cargo of nitrate, and the occasion was made one of general rejoicing, and a gold medal, struck in honour of the event, was presented to the captain by the authorities, also it was fully recognised in the speeches delivered that a fresh impetus had been given to the prosperity of the port.

Ghent, with its local industrial activity, required that its shipping arrangements should lack nothing, and the absence of dry docks tended to force charters in favour of neighbouring ports, thus causing importations of raw material to reach Ghent indirectly and at higher cost.

These inconveniences are now removed, for the dimensions of the dry docks as given below meet all requirements—

Dimensions of docks.

Description.	Length.	Breadth.	Height of Blocks.	Height of Water above sill.
	Feet.	Feet in.	Feet in.	Feet in.
Large dock	426	42 7	2 9	17 8
Small dock	248	36 1	2 9	14 3

Charges. The charges for a vessel of 1,000 tons register for two days amount to about 20*l*. Since the opening in June until the close of the year six vessels made use of the docks.

Improvements at old docks. Great improvements were begun in the year 1892 at the old entrepôt docks, and are now being actively carried out. They are being widened from the old breadth of 60 metres to that of 110 metres for a length of 400 metres, and new quays and sheds are being erected to accommodate more shipping.

One advantage thereof is that vessels of any length will be able to swing at their discharging berths, thus avoiding the delay and danger of having to swing at the timber dock, about a quarter of a mile before reaching Ghent, and coming up stern first, which has hitherto been the case for long vessels.

Proposed larger lock at Terneuzen. With regard to the Belgian and Dutch Government negotiations, referred to in the last report, for the construction of a larger lock at the Terneuzen entrance to Ghent Canal, to admit the passage of all ordinary vessels even at low water, these negotiations are progressing favourably; in principle it is agreed upon, the discussion being simply one of detail, and a final

re-union of the delegates to be held shortly will decide upon the dimensions of the lock.

Difficulties between two Governments as to share of cost.

The difficulty has hitherto turned upon the following points. The Belgian representatives seeing that the larger lock would tend to the profit alike of the Dutch port, Terneuzen, and the Belgian port, Ghent, have endeavoured to induce the Dutch authorities to agree to share the expenses, amounting to about 4,000,000 fr., which they decline to do, as, by the terms of the agreement of 1879 between the two countries, Holland engaged to execute on Dutch territory all the necessary improvements to facilitate the navigation with Ghent according to plans accepted by the Belgian Government, but at the expense of the latter Administration.

Dimensions of new lock.

In deciding upon the dimensions of the new lock, the Dutch have tried to get the Belgian authorities to agree to a larger lock than the latter consider necessary; for, while it would cost relatively little for the Dutch to dredge from the lock to their part of Terneuzen, it would be a costly undertaking to dredge deeply along the extent of 30 kiloms. which separates Ghent from Terneuzen.

Other proposed improvements.

Other works for execution to be agreed upon in detail at the next meeting alluded to, are the improvement of the position at Sluiskil, on the Dutch territory in the canal leading to Ghent.

At present the proximity and situation of two bridges over the canal at Sluiskil, the railway bridge and the general traffic bridge, are such as to be a constant danger to all long vessels in their passage to and from Ghent.

Hardly are such ships through one bridge than they have to shape their course to pass harmlessly through the next, with the natural consequence that there have been many more accidents at Sluiskil than elsewhere along the canal. This is to be remedied at a cost of 1,500,000 fr., which will be a source of great satisfaction ot all shipowners trading with Ghent.

Tonnage.

During the past year 978 ships, with an aggregate of 499,974 registered tons, entered Ghent port, as compared with 1,015 ships, of aggregate tonnage 493,798, during 1891; thus, while the number of vessels was less, the aggregate tonnage was more.

The shipping returns for 1892 show Ghent in a relatively more prosperous condition than any other Belgian port; more than two-thirds of the ships were British.

Decrease in number of ships.

The decrease in the number of arrivals during the year 1892, as compared with 1891, is explained in great part by the fact that during 1891 the total importation of coal by sea was 216,590 tons, which declined to 162,767 tons in 1892.

This decrease is owing to the year 1892 having been free from the strikes in the Belgian mining districts which upset these interests in 1891, and necessitated the country drawing more during that year from the British Isles; whereas through the prevailing activity during 1892 the stock of coal on hand in the mining districts at the end of December last was 270,000 tons more than at the same period in 1891.

The total weight of imports of all kinds for 1892 by the Terneuzen-Ghent Canal amounted to 457,281 tons, which is a decrease on the preceding year of 63,441 tons, resulting in great part from the coal situation referred to. **Imports.**

TABLE showing the Imports of Different Articles for the Year 1892 compared with the Year 1891.

Articles.	Quantity.	
	1892.	1891.
	Tons.	Tons.
Timber	119,059	106,611
Grain	10,714	24,403
Manufactured yarns of flax, tow, jute, cotton, and wool..	4,985	7,095
Raw cotton	9,753	17,963
Raw flax, tow, hemp, and jute	43,020	35,278
Raw wool	9,241	8,495
Chemicals	28,038	22,722
Machinery	8,526	12,464

The falling-off of machinery and yarn imports during 1892 may be chiefly attributed to the protective duties in France, to the north of which country a brisk carriage in these articles had hitherto been done viâ Ghent.

It is here worthy of note that on September 14, 1892, the English steamer "Glenfield" arrived from Pensacola with a cargo of pitch-pine; this vessel registered 2,127 tons, and is the largest ship which has yet come to this port.

The exports by the Ghent-Terneuzen Canal during 1892 amounted in total to 290,584 tons, thus an increase of 24,532 tons as compared with 1891. **Exports.**

About a half of this difference turns upon fresh apples, of which there were 14,000 tons more shipped to the United Kingdom in 1892 than in 1891; the exact figures are 19,943 tons in 1892, and 6,096 tons in 1891. This is owing to the American apple crop last year not having been abundant, so that the Belgian apples and those from the north of France passing through Ghent had not so keen a competition from that source; also the partial stoppage of business at Hamburg during the cholera epidemic kept a quantity of German apples out of the market.

TABLE showing the Exports of Different Articles for the Year 1892 compared with the Year 1891.

Articles.	Quantity.	
	1892.	1891.
	Tons.	Tons.
Apples and onions	12,710	10,551
Chicory root	3,628	2,436
Bran	15,993	10,703
Eggs	1,016	224
Cement	2,485	937
Sand	8,316	4,497
Manufactured piece-goods of cotton, jute, flax, wool, &c.	2,693	2,552
Manufactured yarns of hemp, cotton, wool, flax, tow, and jute	9,270	9,356
Colza oil	1,999	2,549
Iron girders	6,789	8,538
Beet sugar	21,028	23,409
Raw flax and tow	12,612	14,469

Belgium exported to the United Kingdom during 1892 a total of 14,853 tons of raw flax and tow, of which 12,612 tons were shipped at Ghent, as shown in the foregoing table.

Ghent Horticultural Establishment exported to the British Isles about the usual quantity of plants during the season of 1892, which may be estimated in weight at 650 tons.

Population. The population of Ghent city at the close of the past year is registered at 150,157 inhabitants, and during that year there were

Vital statistics. 4,468 births and 3,774 deaths, of which latter 1,205 were of children under 1 year of age, and 1,552 under 6 years of age. Thus almost one-half of the deaths were of children under 6 years old; this is the sad consequence of Ghent being a manufacturing town where parents, each earning at the factories, leave their children insufficiently cared for.

Cholera epidemic. All vigilance was exercised by the officials here during the cholera epidemic which proved so fatal in some European cities. In the whole of the East Flanders province there were only 340 definite cases, and 13 of doubtful diagnosis; the total number of deaths therefrom was 199.

Tabular shipping returns are appended.

RETURN of all Shipping at the Port of Ghent during the Year 1892.

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	635	330,457	41	13,558	676	344,015
German	83	47,511	10	3,818	93	51,329
Danish	48	42,319	6	872	54	43,191
Norwegian	15	5,358	29	9,381	44	14,739
Russian	13	10,277	19	5,666	32	15,943
Swedish	10	3,711	6	2,996	16	6,707
Dutch	31	18,261	2	634	33	18,895
French	3	1,498	24	2,680	27	4,178
Belgian	2	849	1	128	3	977
Total	840	460,241	138	39,733	978	499,974

COMPARATIVE Statement of Shipping Arriving at Ghent during Nine Years from 1883–92 both inclusive.

Year.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
1884	668	227,799	128	26,295	796	254,094
1885	692	253,626	113	26,256	805	279,882
1886	661	260,271	86	19,678	747	279,949
1887	747	325,226	70	19,740	817	344,966
1888	674	325,008	120	39,224	794	364,232
1889	753	362,411	122	33,106	875	395,517
1890	819	393,235	133	34,116	952	427,351
1891	912	465,808	103	27,990	1,015	493,798
1892	840	460,005	138	39,969	978	499,974

RETURN of Importations at Ghent of Different Articles in Full Cargoes during the Year 1892 and the Countries or Ports from whence coming, excluding entirely the Mixed Cargoes of Regular Liners.

Description of Cargoes.	Number of Vessels.	Registered Tons.	Name of Country or Port.
Timber and sleepers ..	130	64,521	Sweden, Norway, Russia, and Germany
Flax	45	31,562	Russia
Flax, flax-seed, and grain	4	3,003	Russia
Oats	3	3,297	Russia
Flax and timber ..	25	23,143	Russia
Nitrate	13	10,646	Chile
Cotton	5	4,921	West Point, Wilmington, and Bombay
Coals	49	25,635	Great Britain

RETURN of Total Weights of Ghent Imports and Exports by the Terneuzen-Ghent Canal during the Year 1892.

	Belgian Weight in Kilogrammes.	English Weight in Tons.
Imports	464,140,496	457,281
Exports	294,942,922	290,584

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REPORT FOR THE YEARS 1889-92

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 807.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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1129.	Berne	1½d.
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BRAZIL.

RIO DE JANEIRO.

Mr. Greville to the Earl of Rosebery.

My Lord, *Rio de Janeiro, October* 10, 1892.

I HAVE the honour to transmit herewith a very full Report on the Commerce of Brazil for the years 1889, 1890, 1891, and part of 1892, by Mr. Algernon Petre, Translator and Honorary Attaché to Her Majesty's Legation.

This Report, which was drawn up by Mr. Petre under instructions from Her Majesty's Minister, has been delayed in consequence of the great difficulty in obtaining reliable information in regard to the various subjects treated in it, more especially with regard to statistics, and also owing to the fact of this Legation having been somewhat short-handed during the last few months.

I have, &c.

(Signed) GEORGE GREVILLE.

Report on the Commerce of Brazil for the Years 1889, 1890, 1891, *and part of* 1892.

ABSTRACT of Contents.

	PAGE
Customs receipts—	
Total for 1889, 1890, and 1891, and first quarter of 1892	2
Rio de Janeiro—	
Trade of	2
British trade through	3
Para—	
Export trade of	5–7
Import Duties—	
Indiarubber	6
Abolition of payment in gold	7
Increase of import duties	7
Consular invoices—	
Regulations postponed	7
Commercial agreement between Brazil and United States of America—	
Remarks upon	8–10
Effect of, upon British trade	10

Abstract of Contents—continued.

	Page
Commercial agreement between Brazil and Portugal—	
Abstract of	10
Tables specifying articles referred to	11–12
Coffee—	
Exports from Rio Santos and Victoria, with map of coffee zone of Brazil	12–15
Sugar—	
Exportation of, from Pernambuco	16
Tobacco—	
Export of, from Bahia	17
Railways	18
Shipping—	
Rio de Janeiro	23
Para	23
Subsidised navigation	24
Submarine cables	25
Harbour works	25
Mining	26
Immigration—	
Statistics 1881 to 1891	29
General remarks	29
New immigration contract	30
Chinese immigration law	30
British immigration	31
Exchange on London—	
Range of, during 1891 and first half of 1892	31–32

Customs receipts.

Reports of the Minister of Finance presented in 1891 and 1892 respectively state the total customs receipts during the years 1889, 1890, 1891, and the first quarter of 1892 to have been as follows:—

Year.	Value.			
	Currency.	Sterling.*		
	Reis.	£	s.	d.
1889	115,765,877$672	13,023,661	4	9
1890	144,911,464 476	16,302,539	15	0
1891	174,194,083 141	19,596,834	7	6
1st quarter of 1892	46,573,542 812	5,239,523	11	3

Trade of Rio de Janeiro.

The commercial retrospect of the "Jornal do Commercio," a most reliable source of information, states that in spite of fears to the contrary imports through Rio de Janeiro increased during 1891 as compared with the previous year. The course of exchange, however, destroyed all hope of profit, and even caused serious loss. The following list specifies the articles, the importation of which was greater or less:—

* The rate of exchange is calculated at par, namely, 2*s.* 3*d.* = 1 milreis.

INCREASE.

Beer.
Candles.
Cement.
Coal.
Cod.
Cotton.
Deals (mostly from United States of America).
Dried meat (from Rio Grande do Sul).
Flour.
Hay.
Italian paste.
Kerosene.
Pitch.
Salt (foreign).
Tar.
Tea.

DECREASE.

American bacon.
Bran (from River Plate).
Butter.
Dried meat (from River Plate).
Lard (from United States of America).
Maize (from River Plate).
Salt (native).
Spirits.

Cotton, woollen, linen, and silk goods advanced about 20 per cent. as compared with imports during 1890. The falling-off in the importation of American lard was due to increased native production, which also accounts for the fact that less bran, dried meat, and maize was received from the River Plate.

On the whole, the "retrospecto" considers that the commercial outlook showed an improvement during 1891 over the preceding year.

British trade through Rio de Janeiro in 1889.

The following figures, published by the Rio de Janeiro custom-house, show the nature and value of the exports to and imports from the United Kingdom during the year 1889. The value of the exports is estimated at upwards of 1,000,000*l.*, and of the imports at some 7,500,000*l.* No later statistics are obtainable.

TABLE showing Nature and Value of Exports to United Kingdom from Rio de Janeiro during the Year 1889.

Articles.	Value.			
	Currency.	Sterling.		
	Reis.	£	s.	d.
Spirits	34$300	3	17	10
Sugar	28,815 000	3,241	13	9
Coffee	9,072,726 094	1,020,681	13	1
Rock crystals	13,025 000	1,465	6	3
Rough diamonds	98,284 800	10,057	0	9
Sweetmeats..	200 000	22	10	0
Tapioca and mandioca flour ..	1,002 000	112	14	6
Artificial flowers	60 000	6	15	0
Fruit	2,000 000	225	0	0
Tobacco, cigars, and snuff . ..	2,351 000	264	9	9
Mangabeira rubber	5,866 200	659	18	11
Mandioca gum	120 000	13	10	0
Gold in bars and coin	782,057 533	87,981	9	4
Seeds	55 000	6	3	9
Medicinal syrups	30 000	3	7	6
Various articles	16,254 200	1,828	11	11

TABLE showing Nature and Value of British Imports through Rio de Janeiro during the Year 1889.

Articles.	Value.			
	Currency.	Sterling.		
	Reis.	£	s.	d.
Live and dead animals	7,074$752	795	18	2
Hair, skins, and feathers	141,854 000	15,958	11	6
Leather goods	1,374,980 000	154,685	5	0
Meat and fish	622,121 000	69,888	12	3
Ivory, mother-of-pearl, tortoise-shell, &c.	54,895 000	6,075	0	0
Plants and fruits	377,731 250	42,494	15	3
Vegetables and farinaceous substances	719,535 560	80,947	14	11
Alcoholic beverages	336,985 100	38,910	16	5
Perfumery, dyeing, and painting materials	729,270 050	82,042	17	6
Chemicals, medicines, &c.	847,158 400	95,305	6	4
Wood and cane	46,006 000	5,175	13	6
Wicker and straw work	92,561 270	10,413	2	3
Cotton	19,794,687 067	2,226,902	5	10
Wool	3,395,590 200	382,003	17	11
Flax and jute	1,641,475 000	184,655	18	9
Silk	240,918 500	27,103	6	7
Paper	164,555 400	18,512	9	7
Stones, earth, and other minerals	7,422,388 125	835,018	13	2
Crockery and glass	235,969 000	26,546	10	3
Gold, silver, and platinum	21,542,500 770	2,423,531	6	7
Copper and its alloys	827,986 600	93,139	9	10
Lead, tin, and zinc	315,119 650	35,450	19	2
Iron and steel	3,252,447 300	365,905	6	5
Arms and armourer's work	72,375 000	8,142	3	9
Metalloids and various metals	13,900 000	1,563	15	0
Cutlery	206,000 000	23,175	0	0
Watchmaker's work	42,245 000	4,752	11	3
Coach-builder's work	69,050 000	7,768	2	6
Mathematical and scientific instruments	57,170 000	6,431	12	6
Surgical and dentist's instruments	31,962 500	3,595	1	1
Musical instruments	6,923 000	778	16	9
Machinery	2,245,185 860	252,583	8	1
Various articles	453,194 000	50,984	6	6

Table A.—RETURN showing the Value of the Exports from Para during the Years 1889–91.

Year.	Value.			
	Currency.	Sterling.		
	Reis.	£	s.	d.
1889	24,388,487$601	2,743,704	17	1
1890	32,317,771 848	3,635,749	8	7
1891	50,029,212 994	5,628,286	9	2

Table B.—RETURN showing the Value of Exports to Great Britain from Para during the Years 1889–91.

Year.	Value.	
	Currency.	Sterling.
	Reis.	£ s. d.
1889	8,224,554$751	923,012 8 1
1890	9,838,319 493	1,106,810 18 9
1891	15,496,660 361	1,743,374 5 9

The most important articles of export from Para are indiarubber, cocoa, and Brazil nuts. Other articles of export are hides, isinglass, and Copaiba oil.

Indiarubber. Owing to the great fluctuation in the price of indiarubber the trade is described as being very uncertain. According to the last official report two-thirds of the State revenue of Para are derived from the export duty on indiarubber, which is said to contribute 25 per cent. of its value. Owing to the fact that Para possesses almost a monopoly of this valuable article, the report alleges that this high rate of duty may be maintained for many years to come without destroying the trade. Favours are, however, conceded to the indiarubber produced in the State, as also to that coming from the entire Amazon region if exported from Para.

Table C.—RETURN showing the Value of the Indiarubber Exported from Para during the Year 1891, and the Countries to which it was sent.

Country.	Value.	
	Currency.	Sterling.
	Reis.	£ s. d.
Great Britain	14,960,374$381	1,683,042 2 4
United States of North America ..	27,837,359 618	3,131,702 19 1
France	1,810,900 216	203,726 5 5
Germany, Holland, and Italy ..	28,369 400	3,191 11 1
Total	44,637,003 615	5,021,662 17 11

On comparing Tables A and C it will be observed that almost the entire value of the exports from Para during 1891 was absorbed by indiarubber. The amount of this commodity in stock on December 31, 1891, is stated to have been about 133 tons.

Table D.—RETURN showing the Exportation of Cocoa from Para for the Year 1891.

Country.	Value.	
	Currency.	Sterling.
	Reis.	£ s. d.
Great Britain	23,311$380	2,678 15 7
United States of North America ..	26,020 500	2,927 6 1
France	3,426,742 525	385,508 10 7
Portugal	1,293 532	145 9 3
Germany, Holland, and Italy ..	23,790 000	2,616 7 6
Total	3,501,657 937	393,876 9 0

Table E.—RETURN showing the Exportation of Brazil Nuts from Para during the Year 1891.

Country.	Value.	
	Currency.	Sterling.
	Reis.	£ s. d.
Great Britain	311,674$578	35,063 7 8
United States of North America ..	771,265 451	86,767 7 2
France	2,075 760	233 10 4
Portugal	59,363 677	6,678 6 9
Total	1,144,379 460	128,742 11 11

Abolition of payment of duties in gold.

The Budget Law for 1892, passed at the end of last year, abolished the payment of import duties in gold.

Increase of import duties.

The same Budget Law increased the import duties as follows :—

50 per cent. additional on provisions, excepting dried cod and other dried fish, dried meat, beans, maize, rice, and common or cooking vinegar.

60 per cent. additional on wines, beer, alcoholic beverages, liqueurs, cotton, woollen manufactures, silk and its manufactures.

10 per cent. additional "expediente" on goods free from duties of consumption ("consumo"), warehousing, dock and light dues.

Consular invoices.

By a Decree dated April 25, 1891, and published in the "Diario Official" on the following day, consular invoices are included among the documents necessary for the clearance of dutiable imported goods at Brazilian custom-houses. These invoices were to be as recommended by the International American Conference.

Decree, No. 684 C., of November 21, 1891, particularised the regulations as to consular invoices. In consequence of the representations of native and foreign commercial associations, the Vice-President of the Republic issued a further Decree, No. 705, of December 30, 1891, published in the "Diario Official," of January 1, 1892, postponing the enforcement of the aforementioned regulations until May 1, 1892. On that date a further Decree, No. 805, of April 29, 1892, was published, together with draft modified regulations, to be submitted to the approval of Congress. This Decree stated that the period for the enforcement of the said regulations is further prolonged until they shall have been thus approved. The matter has not been discussed during the session now drawing to a close, and the question is, therefore, still undetermined. Its decision rests entirely with Congress.

Customs convention between Brazil and United States of America.

A Customs Convention between Brazil and the United States of America, signed at Washington on January 31, 1891, came into force on April 1 of the same year. According to the terms of this convention certain United States goods are admitted free into Brazil, and a reduction of 25 per cent. is allowed in the duty on others, while some Brazilian products are exempt from duty in the United States.

The United States articles admitted free into Brazil are :—

Wheat in grain.
Maize and its manufactures, including maize flour and maize starch.
Rye and rye flour.
Buckwheat and buckwheat flour.
Barley, potatoes, beans, and peas.
Hay and oats.
Salt pork, including salt pork in brine, and bacon, hams excepted.
Salt fish, dry or in brine.
Cotton-seed oil.
Anthracite and bituminous coal.
Tar, pitch, and turpentine.
Iron goods and agricultural implements and machines.
Iron tools.
Implements and machines for mining and mechanical purposes, including stationary and portable steam-engines, and all manufacturing or industrial machinery, except sewing machines. Instruments and books for arts and sciences.
Railway plant.

A reduction of 25 per cent. is allowed on the following :—

Lard and its substitutes.
Hams.
Butter and cheese.
Meat, fish, fruit, and vegetables, in tins and preserved.
Manufactures of cotton, including cotton clothing.

Manufactures of iron and steel, pure or mixed, which are not included in the previous list of articles exempt from duty.
Leather and its manufactures, except boots and shoes.
Planks, wood and its manufactures, including cooper's work, every kind of furniture, carts, waggons, and carriages.
Manufactures of indiarubber.

The Brazilian products exempt from duty in the United States are:—

Sugar, not above No. 16 Dutch Standard.
Molasses.
Coffee
Hides.
Indiarubber.

This convention is regarded with disfavour by a considerable portion of the agricultural and industrial classes in Brazil, as well as by importers of European goods.

One of the chief arguments advanced by the supporters of the convention in this country was the immense advantage secured by the admission free into the United States of Brazilian sugar, the export of which to that country is roughly estimated at 300,000 tons per annum, or half of the total exported. Inasmuch, however, as this exemption applies only to sugar below No. 16 Dutch Standard, the convention has found little favour in the eyes of sugar refiners in Brazil, who, so far from benefiting, are now exposed to greater competition from the refineries of the United States. The conclusion of an agreement between the United States of America and Spain, by which sugar exported from Spanish possessions is admitted into the United States on identically the same terms as those conceded to Brazil, must still further have diminished the benefit accruing to the last-named country as regards this commodity.

Having regard to the fact that Brazil has almost a monopoly of the United States coffee market, the free admission of Brazilian coffee into the United States would hardly seem to compensate for the exemption and reduction accorded to United States products in Brazil. Were a high tariff applied to Brazilian coffee in the United States the consumer would probably be the chief sufferer.

In the absence of sufficient data it is impossible to furnish a complete statement concerning the effect of this convention on Brazilian trade in general during the year ending April, 1892, and it has been in force too short a time for its effect on British imports to be distinctly gauged. The following particulars as regards those imports through Rio de Janeiro may, however, prove of interest.

Canadian codfish pays an import duty in Brazil of 2$340 reis (*5s.* 3¼*d.*) per tub or case, whereas that coming from the United

States is only charged under the convention in question an ad valorem duty of 643 reis (1*s.* 5⅜*d.* at par), or a difference, say, of 1$700 reis (3*s.* 9½*d.* at par) per package. Although the production of codfish in the United States is not yet sufficiently large to enter into serious competition with Canadian fish, the business is being actively developed, and it is to be feared that in course of time the effect of this differential treatment will be smartly felt by Canadian producers.

Owing to the abnormal monetary conditions prevailing during the past two years the importation of dry goods has been contracted into fewer hands, so that while foreign houses have done an increased business the native ones have largely abstained from direct importation. The depreciation in exchange and consequent suspension of importation caused the dry goods market to become bare of stock, and imports have since found a ready sale at good prices. This state of things, however, is hardly likely to continue.

The convention does not appear to have checked the importation of British hardware. Although there has been an increase in the importation of hardware from the United States, there has been a much greater increase in imports of English and German hardware. The same articles are now imported from the United States as were imported before the customs convention, namely, axes, pumps, hatchets, some iron hinges, ploughs, handles for hammers, picks, common wheelbarrows, and some cutlery; but it is now found that cutlery can be bought cheaper in England. In spite of the drawback, there is no inducement to buy such goods as anvils, leather belting, bolts and nuts, iron chain, corrugated iron, files, wrought-iron tubes, barbed fencing wire, iron wire, hoes, bar iron, pickaxes, iron rivets, and steel vices elsewhere than in England. Among the reasons for this are that freights from Europe generally are lower than from the United States, and that United States hardware being so much dearer than English the difference in price more than counteracts drawback in duty.

A Bill was introduced into the Chamber of Deputies on September 17 of last year to modify the existing convention, and materially lessen the advantages conceded to United States goods. This Bill was dropped, but according to a statement contained in the report of the Minister of Finance, published in June, 1892, the Brazilian Minister Plenipotentiary at Washington is to negotiate a revision of the convention.

Official correspondence relating to this customs convention will be found in the blue-book marked No. 3 Commercial of 1892, pp. 31 to 64.

Commercial Treaty between Brazil and Portugal.

On January 14 of this year a commercial treaty was signed at Rio de Janeiro between a representative of the King of Portugal and the Brazilian Government, of which the following is an abstract:—

The Brazilian and Portuguese goods specified in the annexed tables A and B respectively enjoy differential treatment. The

duties to be collected on these goods shall, by Art. 3 of the treaty, always be less than the general or conventional duties established, or to be established, by one or other of the high contracting parties by at least the amount of percentage fixed in the said tables A and B. As regards goods mentioned in these tables which are free from duty, neither of the contracting parties may fix for other countries a lower duty than that established by the respective tariffs in force on October 1, 1891. Brazilian coffee, sugar, and cotton enjoy the same favours in Portugal as regards warehousing, export, and transit, which may be conceded to those articles coming from Portuguese possessions. The contracting parties further engage to grant reciprocally all favours, or reductions in import or export duties at present enjoyed, or hereafter to be enjoyed, by the products of any other country. Portugal may, however, make special concessions to Spain as regards the frontier trade, which may not be extended to any other nation. With respect to Brazilian cotton and sugar, the differential treatment mentioned in Table A is maintained as against cotton and sugar of Spanish origin. From treaties, which either of the contracting parties may conclude, with other countries they engage to exclude the benefits reciprocally conceded by the present treaty. A period of six years is fixed for the duration of this agreement, a year's notice to be given before it can be denounced.

The ratification, which was to have taken place in July last, has now been postponed until September, 1893.

The following are the tables referred to above :—

Table A.—Brazilian Merchandise.

Articles.		Per Kilogramme.	
		Duty to be paid, Portuguese money.	Differential Percentage.
Cotton	Real	1	..
Sugar below No. 20 Dutch standard	Reis	90	30
Raw hides	Real	1	..
Dried hides	Reis	10	30
Bread flour	Real	1	..
Other flour	„	1	..
Sweetmeats of any kind	„	1	..
Filaceous, animal, or vegetable substances	„	1	..
Indiarubber	„	1	..
Rough wood	..	1 % ad val.	

Table B.—Portuguese Merchandise.

Articles.		Duty to be paid, Brazilian money.	Differential Percentage.
		Reis.	
Wine*	Per litre	100	30
Oil	„	220	30
Vinegar	„	60	25
Salt		Free	
Cork stoppers	Per kilo.	140	30
Green fruit	„	60	20
Dried „	„	150	25
Onions and garlic	„	70	25
Brushes and other articles of bristles Rough or prepared stones or marble Bricks, tiles, statues, and lime Sandals, wooden and other shoes, excluding shoes and boots of fine quality ("de luxo")		25 per cent.	less than tariff.

* Bottled wine to pay 60 per cent. more than the respective duty.

Note.—At par 100 reis Brazilian = 2⅞*d.*; 100 reis Portuguese = 4¾*d.*

Return showing Exports of Coffee from Rio de Janeiro.

Crop Year 1889-90 (July 1 to June 30).

	Bags.
To the United States	1,735,356
Europe	566,221
Cape of Good Hope	76,537
River Plate and sundries	63,016
Total	2,441,130
To the United Kingdom	144,742

Crop Year 1890-91.

	Bags.
To the United States	1,590,650
Europe	685,590
Cape of Good Hope	64,800
River Plate and Sundries	46,122
Total	2,337,162
To the United Kingdom	71,750

Crop Year 1891-92.

	Bags.
To the United States	2,555,105
Europe	986,465
Cape of Good Hope	111,670
River Plate and sundries	48,605
Total	3,701,845
To the United Kingdom	92,245

As regards Rio de Janeiro and Victoria (State of Espirito Santo) anticipations of the available part of the last crop have not been realised. With 100,000 sacks shipped from the last-named port, and some small amounts coastwise to Brazilian ports, the total is much under the 4,250,000 bags anticipated. The dearth of labour is chiefly responsible for this difference.

The other important influences were the delays in forwarding the crop, which at first upset the calculations of the trade here, and later on the favourable prospects for the new crop which, when telegraphed abroad, caused a heavy fall both here and there. In the confident expectation of large entries in July and August dealers over-sold the market considerably for forward delivery, and their purchases to cover kept prices up until September, when the liquidation of their contracts, joined with larger receipts and an abundant flowering, brought cost and freight prices down about 13*s.* per cwt. Early October saw the lowest point, however, and in the face of a falling exchange a pretty steady rise in cost and freight prices has continued until near the close.

Quality of coffee shipped.

The quality throughout has been disappointing. At the present high prices quantity more than quality is the object of the planter. Careful preparation entails heavy expense and delays, while the profit is so great that everything which comes with coffee, namely, husks, sticks, &c., all go into the bag to increase the weight. Low Fair Channel, or type No. 6, became the "good coffee" of the market, and at last even type No. 7 was difficult to obtain, the stock being almost wholly composed of lower grades. The differences in price between the grades grew to be very large, and finally dealers refused to sell good sorts alone, using them to force off larger parcels of lower quality. In spite of the high premium paid on really good qualities, there is little hope of a marked change for the better until currency prices fall to the point when freight, &c., make the shipment from the plantation of very low grades unprofitable.

Delay in transport of coffee.

Owing to the defective railway service, and the consequent delays and exposure to the weather, the coffee has been robbed of what colour and style it originally possessed when freshly prepared. Two or three months was no unusual journey between plantation and market, the coffee lying during the greater part of this time exposed to weather at the railway stations. Large quantities were damaged, and a considerable amount rotted and was entirely destroyed. It was also no very uncommon circumstance for a shipment to disappear, all trace of it being completely lost. It is only fair to the Central Railway to state that unusual efforts have been made to meet the sudden demands upon it, and now there is a prospect of improvement.

Estimate for 1891–92 crop.

The first estimate for the new crop was from 3,500,000 bags to 3,750,000 bags, but according to later accounts this must be reduced to about 3,000,000 bags which may be taken as the whole quantity available, since the amount left over in the interior from the last crop is insignificant. How much of this will find its way to market during the crop year depends on

Prices.

many different circumstances. There seems to be a general impression abroad that, in view of the ample crops, prices must fall heavily; but it is to be noted that the planters are now not only out of debt, but are very well off, and they can afford to hold back their coffee if they feel inclined to do so. A rise in exchange and lower prices abroad mean a double fall for them, and it is quite likely that they may resist each decline. After two heavy crops a light one is pretty sure to follow. At all events good coffees seem likely to hold their own for some time to come.

RETURN showing Exports of Coffee from Santos.

CROP YEAR 1889-90.

	Bags.
To Europe	1,539,814
United States..	520,511
Coastwise	1,257
Total	2,061,582
To the United Kingdom	59,068

CROP YEAR 1890-91.

	Bags.
To Europe	2,233,260
United States	805,650
Coastwise	1,799
Total	3,040,709
To the United Kingdom	51,964

CROP YEAR 1891-92.

	Bags.
To Europe	2,597,709
United States	986,356
Coastwise	3,942
Total	3,588,007
To the United Kingdom	85,733

Crops, 1890–92.

Of the 1890–91 crop very little coffee was left in the interior, and the crop which had just ended somewhat exceeded the estimate of 3,500,000 bags to 3,750,000 bags, since up to June 30 last receipts amounted to some 3,700,000 bags, and it would seem that at least 250,000 bags are left over to be marketed in the present crop year.

Taken as a whole the quality of the 1890–91 crop was good, and it was only during the later months that difficulty was experienced in the composition of suitable assortments such as good average. The sterling price for this last quality did not decline in proportion to the full in the rate of exchange, the planters have therefore to a great extent benefited through the depreciation of currency.

From Santos is heard the same cry as to the inadequacy of the railway arrangements, and the same complaint is made that coffee has to remain for some time in the interior waiting to be forwarded, while all available warehouses and lighters in Santos are crowded with cargo. Owing to the low rate of exchange imports may now fall off, and this will relieve the present strain on the railway (S. Paulo Railway Company). The new crop is estimated at about 3,500,00 bags to 3,750,000 bags, but it is possible that labour difficulties may present the marketing of all this coffee. Inadequacy of transport to Santos.

RETURN showing Exports of Coffee from Victoria (State of Espirito Santos) Direct.

CROP YEAR 1889–90.

	Bags.
To the United States	13,750

CROP YEAR 1890–91.

	Bags.
To Europe	18,500
United States	43,717
Total	62,217

CROP YEAR 1891–92.

	Bags.
To Europe	10,950
United States	94,320
Total	105,270

The annexed map, which has been drawn up under the direction of one of the principal houses exporting Brazilian coffee, shows the present and probable future coffee zone of this country. Neglecting the comparatively insignificant districts of Ceara and Bahia, this zone is confined by temperature between the parallels of 18° and 23° south latitude, and by rainfall to a district of more or less 300 miles from the coast inland. The eastern end of the zone has not been closed in by fixed lines as is the case with the western end, because extension is still possible north-easterly through the State of Espirito Santos, and in this extension lies the hope of the future growth of Victoria. Going due west from Rio de Janeiro the mountains of the Serra de Espinhaço and Serra da Mantiqueira narrow the zone to a strip along the coast, while further westward still, on the borders of S. Paulo, there is a sudden widening, for at the foot of the western slopes of those mountains very good land is again met with. Map of coffee zone.

The western boundary is firmly fixed by the limits of a certain yearly rainfall, and it is worthy of mention that owing to the constant clearing of forests this western boundary is slowly shrinking, while in compensation the temperature on the slopes of the above-mentioned mountain chains is becoming milder, and

planting is now going on in places which at one time were thought impossible. The map bears clear testimony to the fact that the future of the trade lies in S. Paulo.

RETURN showing Exports of Sugar from Pernambuco.

CROP YEAR 1889–90.

	Tons.
United Kingdom	5,401
„ States	10,372
Canada	1,388
Total	17,161

CROP YEAR 1890–91.

	Tons.
United Kingdom	12,100
„ States	43,874
Canada	6,187
Total	62,161

CROP YEAR 1891–92.

	Tons.
United Kingdom	15,292
„ States	36,643
Total	51,935

Export of sugar to Great Britain.

The exports to Great Britain have been much larger this crop than in 1890–91, notwithstanding the free admission into the United States of Brazilian sugar below No. 16 Dutch standard. This is accounted for by the fact that there is now in the United States but virtually only one buyer (in the Eastern States) of raw sugars, namely, the Sugar Trust, which has swallowed up all the refineries. Shippers from Brazil have, therefore, not cared to send their sugar to the United States unless sold beforehand. It would thus seem as if the expectation that the recent Customs Convention would result in an increased export of Brazilian sugar to the United States had not been realised, as far as Pernambuco is concerned. In fact, during the year in which the convention has been in force, including the 1891–92 sugar crop, there has been a decrease of 97,973 bags, or 7,231 tons, in the export from Pernambuco to the United States.

Owing to heavy rains entries of sugar at Pernambuco had almost ceased by the second week in July, and the 1891–92 crop can be considered at an end. No more sugar will be exported from Pernambuco until the new crop opens, which will probably be about the end of September. Owing to there being but a small stock on hand for home consumption until the new crop opens, and the coast demand having been of late fairly good, prices have advanced rapidly.

COFFEE BEARING Z

(12/92. 1422)

ONE OF BRAZIL.

Harrison & Sons. Lith. St. Martins Lane W.C.

.....New lands in bearing.

.....Untouched coffee lands.

Although coffee is the chief product of Brazil, its capacity for producing sugar is far greater. The cultivation has, however, been checked by the low prices prevailing for several years. Sugar refineries have been established under a State guarantee. The number of these factories is stated to be 53, the capital on which the Government guarantee interest being 38,950,000 milreis (4,381,875*l.*). In addition there are 11 other sugar factories, which, although not enjoying a Government guarantee, are granted certain favours.

The Minister of Agriculture states, in his report for this year, that the results obtained from the granting of these concessions have not answered to the expectations of the various Governments which have been in office since the promulgation of the law granting them in 1875. In order, therefore, to stimulate rivalry and lessen the burden falling upon the State through the guaranteed interest, a decree of October 4, 1890, established the following prizes for such sugar factories as shall obtain the largest percentage of sugar at the smallest cost, namely:—50 contos (5,625*l.*) to those obtaining at least 15 per cent. of sugar, without distinction of quality; 30 contos (3,375*l.*) to those obtaining 11 per cent.; and, lastly, 15 contos (1,687*l.* 10*s.*) to those obtaining not less than 10 per cent. of sugar.

Tobacco.

The export of tobacco from the province of Bahia, the centre of this trade, during the years 1889–90 amounted to 340,000 bales, the approximate value of which was 16,320,000 milreis (1,833,750*l.* at exchange of 27*d.* per milreis). The figures given for the crop of 1890–91 are 190,000 bales, valued at 10,260,000 milreis (1,154,250*l.* at exchange of 27*d.* per milreis). The crop usually begins about October or November, and extends to July and August of the following year.

The major portion of the Bahia tobacco is exported to Germany, the business being done on a joint account basis with Bremen and Hamburg merchants. A portion also is shipped to France on account of the French "Régie," who this year bought 1,500,000 kilos. A few bales are shipped to the Argentine Republic.

Owing to the unfavourable weather experienced last year the present crop is a small one, but the prospects for the coming crop are excellent on account of the heavy rains, and it is estimated that the quantity available for export will far exceed that of 1889–90.

New tobacco tax.

The Budget Law of December 30, 1891, established a new tax on tobacco, which came into force at Rio de Janeiro on March 23, and in the States on April 23 of this year.

This new tax has caused much discontent on the part of those engaged in the tobacco trade, and representations have been made to the Government with a view to its removal. The Minister of Finance in his report of this year recommends certain alterations which would favour native tobacco. During three days the tobacconists of Rio de Janeiro closed their doors as a protest against this tax.

Railways.

Extent of railways.

In the report of the Minister of Agriculture, Commerce, and Public Works, published in June of this year, the extent of railways open to traffic is given as follows:—

	Number of Kilometres.	Number of Miles.
State railways	2,556	1,533
Subventioned railways	5,032	3,018
Non-subventioned railways	395	237
Total	7,983	4,788

Railways under Construction.

	Number of Kilometres.	Number of Miles.
State railways	838	501
Subventioned and non-subventioned railways ..	3,888	2,331
Total	4,726	2,832

Proposed Railways.

	Number of Kilometres.	Number of Miles.
Subventioned railways	4,944	2,967
Non-subventioned railways	632	378
Total	5,576	3,345

Inspection of railways.

By Decree, No. 399, of October 20, 1891, the service of inspection ("serviço de fiscalisaçao") was reorganised. In accordance with the regulations laid down by this Decree all concessionnaires of railways in Brazil are obliged to contribute towards the cost of inspection as follows:—

	Over 60 Miles in Extent.	Less than 60 Miles in Extent.
	£ s. d.	£ s. d.
Subventioned railways	1,687 10 0	..
„ „	..	1,350 0 0
Non-subventioned railways	1,125 0 0	..
„ „	..	900 0 0

"Geral" Railway Company.

One of the principal recent events in connection with Brazilian railways has been the failure of the Companhia Geral de Estrados de Ferro do Brazil.

The Geral Railway Company was formed to obtain control over several railways, in which were included the Leopoldina, Grão Pará, Rio and Northern, Macahé and Campos, Arraruma, Juiz de Fora, and Pirú. This control was acquired by a cash payment, and by an exchange of its own shares and bonds for the share capital of the Leopoldina Railway. The capital of the Geral Company was nominally 200,000,000 milreis (22,500,000*l.*) In June, 1891, an attempt was made to float a loan in London and Brazil for 14,500,000*l.* for the conversion of the bonds of the various companies controlled, but it was not accepted in Europe. Some 2,500,000*l.* were, however, subscribed in Brazil. This 2,500,000*l.* was to be applied to the payment of the floating debt, and for new works, as well as for the expenses connected with the loan. None of the money appears to have been so applied. The directors and their friends began to speculate wildly, and so-called debentures of 20*l.* were issued without limit, and sold in the market at any price they could fetch. They were sold at all prices ranging from 200 milreis, gradually falling as the emissions increased, and when the final crash came, at the end of 1891, they had dropped to 14 milreis. Since then they have dropped further, and the 20*l.* debentures are now quoted at 2 milreis. It is stated that the total emission amounts to 6,000,000 debentures, or 120,000,000*l.* sterling, but no official confirmation of this has yet been published.

Early this year it was decided by the Brazilian Courts that the Geral Company was quite distinct from the Leopoldina. This latter company then became independent, a new directorate being formed and approved of by the Brazilian Government. Since then the new directors have been trying to make terms with the creditors in Europe and Brazil. Proposals have been submitted to the debenture holders in Europe for a temporary reduction of the interest on the loans there, which amount to about 6,500,000*l.*, as well as a suspension of the amortisation. Should these proposals be accepted, and the company obtain permission from the Government to revise their tariffs sufficiently to compensate for the fall in exchange, there is every hope that, with efficient management, the railways comprised in the Leopoldina system will become prosperous and paying concerns.

State Railways.

Central Railway.

The most important of the State railways is the Estrada de Ferro Central do Brazil. Up to December 31, 1891, the extent of this line open to traffic was 1,118 kiloms. 771 metres, or about 670 miles. By a Decree No. 701, of August 30, 1890, the São Paulo and Rio de Janeiro Railway was incorporated in the Central system. The extent of this addition is 231 kiloms., or about 138 miles.

On February 13, 1891, the main line to Sabara, on the Rio das Velhas, in the State of Minas Geraes, was opened by the completion of the section between Honorio Bicalho and Sabará. Honorio Bicalho is distant some 3 miles from the gold mines of the St. John del Rey Company.

The receipts and expenditure of this railway during the years 1890–91 are stated to be:—

RECEIPTS.

Year.	Amount.	
	Currency.	Sterling.
	Reis.	£ s. d.
1890	12,041,192$249	1,354,634 2 6
1891	16,186,508 305	1,820,182 3 0
Increase	4,145,316 056	465,548 0 6

EXPENDITURE.

Year.	Amount.	
	Currency.	Sterling.
	Reis.	£ s. d.
1890	9,184,083$476	1,033,209 7 8
1891	12,236,552 104	1,376,612 2 2
Increase	3,052,468 628	343,402 14 6

The increased expenditure of this line is accounted for as follows:—

(*a*) Purchase of S. Paulo and Rio de Janeiro Railway.

(*b*) Increase of staff and of salaries, in view of the enormously increased cost of living.

(*c*) The large amount of coffee received from the interior.

(*d*) General increase of goods traffic.

Many and bitter have been the complaints against the Central Railway during the last twelvemonth. Owing to the congested state of the line the goods traffic has frequently had to be suspended, causing much loss to trade. The Government are taking measures to improve this state of affairs, and have asked for a special credit of 5,758,347$534 reis (1,356,564*l.* 1*s.* 11*d.* at par) with which to purchase rolling-stock and other material for the line.

There has recently been a block at the Gamboa maritime station of this railway at Rio de Janeiro. Increased warehouse accommodation is now being constructed. During the month of

July, 1892, there were despatched from this station 8,248 tons of merchandise to the interior.

Railway Extension.

Baturité. The Baturité Railway (State of Ceará) is being rapidly extended to Quixadá, whence it will be continued over the plateau between the mountain ranges of Sipó and Cachoeira, in the direction of the town of Quixeramobim, in the State of Ceará.

Sobral. The Sobral Railway is being extended from the town of that name to Ipú, a distance of 50 miles. This railway is situated to the north of Ceará State.

Central Pernambuco. On the Central Pernambuco system a line is being constructed from Cascavel to Pesqueira, about 60 miles. The first section of this line, from Cascavel to Bezerros, is nearly laid.

Southern Pernambuco. The entire extent of this line, namely, about 90 miles, was opened to traffic last year. The following lines are in course of construction on this system:—

From Timbauba, in the State of Pernambuco, to Pilar, in that of Rio Grande do Norte.

From Mulungú to Campina Grande through Alagoa Grande, in Parahyba do Norte State.

From Paquevira, in Pernambuco, to Imperatriz, in Alagoas; and from Angelim to Bom Conselho, in the State of Pernambuco.

Porto Alegre and Uruguayana. On the Porto Alegre-Uruguayana Railway the following lines are in course of construction:—

Bagé to Uruguayana, Cacequy to Uruguayana, and Cacequy to Bagé, in all some 370 miles.

The above-mentioned official report publishes the following particulars as to the extensions under construction on the subventioned and non-subventioned railways respectively:—

Subventioned Railways.

Central Alagoas. On December 24, 1891, a branch was opened from Lourenço de Albuquerque to the town of Assemblea (State of Alagoas), a distance of some 36 miles.

Paraná. The main line in the State of Paraná runs from the port of Paranaguá to Curityba, the capital, the concessionnaires being a French company.

The extensions in course of construction are:—

Morretes to Antonina;
Lapa to Rio Negro;
Rio Negro to Porto do Amazonas;
Restinga Secca to Ponta Grossa.

The total length of the above extensions is stated to be 187 miles.

Brazilian Great Southern.

The Brazilian Great Southern Railway Company, Limited, are constructing an extension from Itaqui to Santo Angelo, a distance of some 213 miles, with a branch to Santa Borja. Decree No. 380, of May 9, 1890, grants a guarantee of interest and other favours for this extension. The work was begun in December, 1890.

Mogyana Railway.

This company are extending their system from Uberaba in the State of Minas Geraes to Catalão in that of Goyaz.

Extension to Santos.

A Decree No. 977 dated August 5, 1892, authorises the Mogyana Railway Company to extend their system from Resaca, or the most convenient point on their line, to Santos. The zone concessions granted to other companies are to be observed. Tariffs are not to exceed those of other lines to Santos, and are to be reduced when dividends remain above 12 per cent. for 2 consecutive years. Four years are allowed for the construction of the line, and after 20 years it may be expropriated by Government.

Protest of São Paulo Railway Company.

On August 12 of this year the S. Paulo Railway Company protested before the federal judge of S. Paulo against this concession as encroaching on their zone. The S. Paulo Railway runs from Santos to Jundiahy.*

Petrolina to Piauhy.

Decree No. 1,083 of November 28, 1890, granted a guarantee of interest and other favours for the construction of a railway from Petrolina, situated on the River São Francisco in the extreme south-west of Pernambuco State, to the coast of the neighbouring State of Piauhy.

Natal to Ceará-mirim.

The construction of a line from Natal, the chief port of Rio Grande do Norte State, to Ceará-mirim some 27 miles to the north-west is making progress.

Proposed railway to Matto Grosso and Bolivia.

A concession was granted in October, 1890, for a railway to the frontier of Bolivia viâ the States of Goyaz and Matto Grosso. The distance with the town of Catalão in the former State as the starting point is estimated to be about 1,100 miles.

Sorocobana Railway.

Decree No. 436 F. of July 4, 1891, authorised the Sorocobana Company to extend their system to Santos. No guarantee of interest is conceded for this extension. The distance is estimated to be 120 miles. Against this concession the S. Paulo Railway Company likewise protested on August 12, 1892, alleging that the said extension would also be an encroachment on their zone.

Sale of Rio Claro to Paulista Railway.

Decree No. 719 of January 29, 1892, authorised the transfer of the Rio Claro line (State of S. Paulo) to the Paulista Company.

Paulista Railway—Extension to São Sebastião and Santos.

Decree No. 983 of August 8, 1892, authorises the Paulista Railway to construct a line from Jundiahy, or the most convenient point, to the port of São Sebastião, situated some 70 miles to the north of Santos opposite the island of the same name. The company are also to construct a branch to Santos. The entire work is to be concluded 5 years after the approval of the plans, which are to be presented within 2 years. In other respects this concession resembles that granted to the Mogyana Railway.

* The Mogyana have replied by a counter-protest.

Shipping and River Navigation.

RETURN of Shipping at the Port of Rio de Janeiro during the Year 1891.

OCEAN-GOING TRADE.

	Entered.		Cleared.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	576	..	476	..
Total	1,680	..	1,387	..

COASTING TRADE.

	Entered.		Cleared.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Brazilian	991	..	998	..
Foreign	322	..	483	..
Total	1,313	..	1,481	..

TABLE showing Number and Tonnage of Vessels Entering the Port of Para from the Ocean during the Years 1889–91.

Year.	Number of Vessels.		Tons.
	Steam.	Sailing.	
1889	293	85	386,869
1890	262	85	338,555
1891	286	124	472,357

As regards the year 1891, out of the total tonnage of 472,357 tons, 203,060 tons were contributed by Brazilian vessels.

British shipping entering the port of Para during the same year was as follows:— British shipping at Para.

	Number of Vessels.	Tons.
Steam	122	..
Sailing	15	..
Total	137	125,260

North American shipping at Pará.

North American (U.S.A.) shipping comes next in importance, being represented by 47 ships with a total tonnage of 102,699 tons.

TABLE showing the Number and Tonnage of Steamers employed in the River Trade to Para.

Names of Owners.	Number of Vessels.	Tons.
Companhia do Amazonas	27	9,149
Lloyd Brazileiro	12	2,759
Companhia Para e Amazonas ..	7	2,542
Private individuals	20	1,577
Tug boats	6	110
Total	72	16,137

Subsidised Navigation.

"Lloyd Brazileiro."

The chief Brazilian navigation company is the Lloyd Brazileiro. The fusion of this company with the Empreza de Obras Publicas no Brazil was authorised by Decree No. 611 of October 22, 1891. The Lloyd Brazileiro navigate the coast of Brazil from north to south, and in addition undertake the river navigation of Santa Catharina, Rio Grande to Porto Alegre, Espirito Santo to Canavieiras on the Bahia coast, and the Rio Doce which rises in the south of Minas Geraes, and after traversing the entire State of Espirito Santo from west to east flows into the sea at Regencia.

Exemption from calling at Santos.

Owing to the increase of yellow fever at Santos during last hot season the Government exempted this company from calling at Santos "until the sanitary condition of that port become normal." From all accounts even the normal condition leaves much to be desired.

United States and Brazil Mail Steamship Company.

The United States and Brazil Mail Steamship Company receive a subvention from the Brazilian Government. They have a fleet of five steamers which leave New York regularly, and call at all the principal ports of Brazil between Para and Santos. This Company now propose extending their voyages to the River Plate.

Amazon Steam Navigation Company.

The contract concluded with this Company in 1885 for the navigation of the Amazon and its tributaries comes to an end this year.

"Companhia Maranhense."

The Companhia Maranhense receive a subvention of 170,000 milreis (19,125*l.* at par.) per annum for navigating between S. Luiz in the State of Maranhão and Ceara, the capital of the State of the same name.

"Companhia Pernambucana."

This Company receive an annual subvention of 140,000 milreis (15,750*l.*) for navigating between Pernambuco and Ceara, two

voyages a month from Pernambuco to Aracajú in the State of Sergipe, and one monthly voyage to the island of Fernando Noronha.

A new cable, which will shortly be open for the transmission of messages, has been laid this year between Pernambuco, the island of Fernando Noronha and the town of Dakar in French Senegambia. The concessionnaires are the South American Cable Company. The connection with Europe will be from Dakar to the Canary Islands and thence to Cadiz. South American Cable Company.

The Western and Brazilian Telegraph Company have extended their system to Montevideo by a new direct cable from Santos. This cable will add to the facilities for transmitting messages to and from the River Plate, as it does not touch at the Southern Brazilian ports, and the duplex system is employed. Extension of Western and Brazilian.

Harbour Works.

The harbour works executed at the port of Maranhão during the year 1891 consisted of dredging and the construction of a quay. Maranhão.

By Decree No. 1,022 of August 23, 1892, the Government introduced changes in the contract with the Ceara Harbour Corporation in accordance with Law No. 48 of June 7, 1892. The works are to be concluded in three years. A 6 per cent. per annum guarantee of interest on a maximum capital of 4,874,000 milreis (548,325*l.* at par) is to be paid every six months for a period of 25 years, provided the stipulated clauses of the contract are fulfilled. Ceará.

In the existing Budget Law the sum of 100,000 milreis (11,250*l.*) is assigned for the improvement of the port of Amarração, in the State of Piauhy, at the mouth of the River Paranahyba, which divides the above-named State from that of Maranhão. A plan of these works has been prepared. Piauhy.

On August 20 of last year (1891) the works for improving the port of Pernambuco were inaugurated. Pernambuco.

The improvement of the port of Bahia is entrusted to the "Companhia de Docas e Melhoramentos da Bahia." According to the last report of the Ministry of Public Works this undertaking was begun on August 26, 1891. Bahia.

The improvements authorised for the harbour of Rio de Janeiro consist of a quay between the Prainha and the Ponta do Caju, and a dock between the Ilha Fiscal and the city foreshore. The construction of a quay between the Prainha and Ponta do Caju was sanctioned by Decree No. 849 of October 11, 1890. The works were begun on January 12 of the following year. Rio de Janeiro

The "Companhia de Obras Hydraulicas no Brazil" are entrusted, by Decree No. 137 of April 11, 1891, with the execution of the improvements near Ilha Fiscal. The works were begun on July 12 of the same year.

The work of erecting a quay at Santos and of improving that port has been contracted for with the firm of Gaffrée and Guinle. Santos.

Block at Santos.

In his report published last June the Minister of Public Works states that both the works of constructing the quay and of improving the harbour have progressed. These improvements are much needed, as the crowded state of Santos harbour and the general block in the custom-house and at the railway station have, for some time past, caused much loss of life among the crews of vessels which have been detained for months at that port. The loss to trade has also been very great. Towards the end of last year the custom-house staff was increased, and measures adopted for expediting the clearance of goods.

According to an official report the trade of Santos increased 80 per cent. during the year 1891, attaining a volume of 600,000 tons.

Mining.

According to Article 64 of the Brazilian Constitution unexplored mines belong to the State where they are situated. In view of this article the Minister of Agriculture, Commerce, and Public Works remarks in his last report that although many applications for mining concessions have been made to the Federal Government they are to await the final organisation of the States in order to be referred to the several Governments of those States.

Gold mines

The following are four of the chief gold mines which are at present being worked, namely, that of Mouro Velho (St. John del Rey Mining Company, Limited), Pari (the Santa Barbara Gold Mining Company), Passagem and Raposos (Ouro Preto Gold Mines of Brazil, Limited), and the Faria Mine.

The first two of the above-mentioned are worked by English companies, the third is partly under English and partly under French management. The Faria mine is a French undertaking. All are situated in the neighbourhood of Ouro Preto, Minas Geraes.

Mouro Velho.

This mine, known as that of St. John del Rey, was formerly one of the most flourishing gold mines of the world. Unfortunately, some years ago a greater portion of the excavations fell in, doing incalculable damage and putting a stop to operations. In April, 1889, the work of re-opening the mine was begun, and has proved one of great difficulty and expense. Water is the only available power, and to gather all the sources of this power together and obtain the full force thereof necessitated 40 miles of old and new watercourses, 12 miles of wire rope, signal wires, &c., 4 miles of pipes, 1,500 tons of timber, and an enormous amount of ironwork. The total sinking and driving operations from April, 1889, to February, 1892, amounted to 1,016 fathoms 4 feet. The two new shafts are respectively 377 fathoms 3 feet and 362 fathoms 3 feet in depth. These shafts have been sunk through hard rock entirely by hand boring. The latest reports announce the completion of sinking operations, and preparations

are being made to drive into the lode. There is a very large amount of work yet to be done in the mine.

The total quantity of mineral raised from the Pari mine in the year 1891 was 15,159 tons. The following is a summary of the company's operations during the years 1890 and 1891:— Pari. (Sta. Barbara Mining Company.

Year.	Tons Raised.	Tons Stamped.	Produce, Oitavas.	Produce per Ton, Oitavas.	Value of Produce.
					£ s. d.
1890	18,642	14,202	41,577	2,927	17,912 18 9
1891	15,159	12,050	38,302	3,178	15,806 17 5

The stone rejected at the spalling floors from the 15,159 tons raised amounted to 3,502 tons, or a decrease of 938 tons compared with the quantity rejected in 1890, thus leaving 11,657 tons of good mineral, which, with 393 tons selected from the poor stone laid aside in previous years, made a total of 12,050 tons treated at the stamping mills, and yielded 38,302 oitavas of retorted gold, or equivalent to an average of 3,178 oitavas per ton of mineral stamped.

The following tables give the particulars of the returns of these mines for the past six years:—

JUNE, 1885, TO JUNE, 1886.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	2,662	17,451	..
Raposos	2,521	3,277	..
Total	5,183	20,728	8,412 14 1

JUNE, 1886, TO JUNE, 1887.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	10,916	48,431	..
Raposos	3,930	5,357	..
Borges	..	12	..
Total	14,846	53,800	24,374 11 4

JUNE, 1887, TO JUNE, 1888.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	17,805	69,441	..
Raposos	3,029	5,929	..
Total	20,834	75,370	36,704 0 11

JUNE, 1888, TO JUNE, 1889.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	23,813	84,962	..
Raposos	3,802	5,746	..
Borges	430	190	..
Total	28,045	90,898	42,795 8 5

JUNE, 1889, TO JUNE, 1890.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	28,485	100,968	..
Raposos	3,378	4,318	..
Total	31,863	105,286	48,865 0 10

JUNE, 1890, TO JUNE, 1891.

Mine.	Quantity.		Value.
	Ore Milled.	Gold Produced.	
	Tons.	Oitavas.	£ s. d.
Passagem	37,542	125,170	..
Raposos	3,094	3,742	
Total	40,636	128,912	58,127 10 8

RETURN of Immigration Statistics during the Years 1881–91.

	Number of Immigrants.
1881	11,054
1882	27,197
1883	28,257
1884	30,087
1885	30,135
1886	25,741
1887	54,990
1888	131,745
1889	65,187
1890	107,100
1891	218,958

The figures for 1890 and 1891 are thus divided as regards nationality :—

NATIONALITY of Immigrants, 1890.

Italians	31,275
Russians and Poles	27,125
Portuguese	25,177
Spaniards	12,008
Germans	4,812
French	2,844
Austrians	2,246
Swedes	354
Belgians	308
Swiss	254
Various	697
Total	107,100

NATIONALITY of Immigrants, 1891.

Italians	134,391
Portuguese	32,349
Spaniards	22,166
Russians	11,817
Germans	5,285
Austrians	4,246
English	1,959
French	1,921
Swedes	1,907
Belgians	471
Poles	264
Swiss	198
Americans	35
Dutch	20
Various	1,929
Total	218,958

Immigration.

General remarks.

The report published by the Minister of Agriculture in May, 1892, states that the results obtained from the efforts and money expended on immigration are not such as were expected.

This non-fulfilment of the expectations entertained is attributed chiefly to the two following causes:—(*a*) Unfitness of the method adopted for establishing and maintaining the stream of immigration; (*b*) want of order and supervision in the service of receiving, lodging, distribution of immigrants, and the establishment of centres.

The report goes on to remark that, with the exception of the States of Rio Grande do Sul, Santa Catharina, and Espirito Santo, where there is real colonisation, the immigrant who now comes to Brazil experiences for the most part a difficulty in becoming a landowner, especially in S. Paulo. He is, says the report, a mere machine for work, an irresponsible individual with no incentive to attach him to the soil which he cultivates for the benefit of others, and who is dominated by the idea of accumulating sufficient capital to enable him to return to his country. While admitting that land in S. Paulo is too valuable to allow of the immigrant becoming a proprietor before many years of industry and thrift, the Minister of Agriculture expresses his fears as to the evils which may arise from the way in which this question has been hitherto managed.

The labour question is indeed a burning one here, and the danger now threatening is a dearth of hands. In addition to the above circumstances as to land-ownership, on which so much stress is laid by the Minister of Agriculture, low exchange, affecting as it does the remittances sent home by the immigrants, undoubtedly tends to drive away many valuable hands. It is reported that during the six months from January to June of this year 30,000 immigrants left S. Paulo for the River Plate and Europe. On the other hand, strenuous efforts are being made by the Government to maintain and increase the stream of immigration.

Contract to introduce 1,000,000 immigrants.

On August 2 of this year a contract was signed between the Minister of Agriculture and the "Companhia Metropolitana" for the introduction of 1,000,000 immigrants from Europe and Spanish and Portuguese colonial possessions within a period of 10 years. This contract is to substitute those concluded by the Government in 1888 and 1890. Government commissions have also been appointed for the purpose of reporting upon the best means for encouraging immigration into the Northern States.

Law permitting immigration of Chinese and Japanese.

On September 24 of this year the Chamber of Deputies finally passed the Bill presented to the Senate permitting the immigration of Chinese and Japanese. This law received the Presidential sanction on September 26 last, and has for its chief object the introduction of Chinese labour. Although opposition has been shown to this measure, it is favoured by the land-owners who represent the wealth and importance of the nation, and since the cost of agricultural labour has increased about 50 per cent. much benefit is expected from Chinese immigration.

Inter-State migration.

A movement of inter-State migration is constantly going on draining labour from the sugar into the coffee districts.

The State of S. Paulo profits most, as the larger number of emigrants go to that State.

British immigration.

The current of British immigration into Brazil which set in last year cannot be otherwise described than ill-starred. Of the 1,959 British immigrants who are reported to have landed at Rio de Janeiro and Santos, it is to be feared that few, if any, have prospered. In so vast a country it is difficult to trace immigrants, but, from reports received, it is to be concluded that the majority of those who were sent up country, and who survived the effects of sickness and want, found their way again to the coast, and left the country, many being repatriated out of public and private funds. The greater number of those who came were factory hands from Bradford and other large towns. However hard may have been their lot at home they certainly did not improve it by coming here to work on coffee plantations, and even had they been agriculturists they would probably have fared little better. As long as our people have such fields as British colonies and the United States of North America to which to emigrate they would do well to avoid Brazil, where the language, laws, and customs are strange, and where the climate is for the most part unsuited to them.

RANGE of Exchange for Commercial Bills at 90 days sight on London.

1891.

Month.	Per Milreis.	
	From—	To—
	s. *d.*	*s.* *d.*
January	1 6¾	1 8¼
February	1 7	1 7½
March	1 5½	1 7½
April	1 5⅝	1 5⅞
May	1 4	1 5¼
June	1 4½	1 6¼
July	1 3½	1 5¾
August	1 2½	1 4
September	1 2⅝	1 3⅞
October	1 1	1 3⅛
November	0 11½	1 1⅝
December	0 11½	1 0¾

1892.

Month.	Per Milreis.	
	From—	To—
	s. *d.*	*s.* *d.*
January	1 $0\frac{3}{16}$	1 $0\frac{3}{4}$
February	0 $11\frac{13}{16}$	1 $0\frac{1}{2}$
March	0 $11\frac{5}{8}$	1 $0\frac{1}{4}$
April	0 $11\frac{3}{8}$	0 $11\frac{7}{8}$
May	0 $11\frac{1}{8}$	0 $11\frac{1}{2}$
June	0 $10\frac{7}{16}$	0 $11\frac{3}{8}$

The rate of exchange which began to advance during the early part of September has continued to rise steadily, having reached 16 at the beginning of October. There is a general opinion among business men that the turning point in the crisis has been passed, and a steady rate of improvement is expected.

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ON THE

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1049.	Cagliari	1d.	1109.	Tunis	1½d.
1050.	Erzeroum	1d.	1110.	Sofia	3d.
1051.	Syra	1d.	1111.	Brunei	1½d.
1052.	Cherbourg	1d.	1112.	Athens	2½d.
1053.	Lima	1d.	1113.	Alexandria	2d.
1054.	Bilbao	1½d.	1114.	Vienna	1d.
1055.	Cadiz	2d	1115.	Stettin	2½d.
1056.	Corunna	2½d.	1116.	Berne	1d.
1057.	Saigon	1d.	1117.	Palermo	2½d.
1058.	Port-au-Prince	1d.	1118.	Tokio	1½d.
1059.	Trebizond	1d.	1119.	St. Petersburg	3d.
1060.	Barcelona	1½d.	1120.	Teneriffe	1d.
1061.	Tainan	1d.	1121.	Damascus	1d.
1062.	Smyrna	1½d.	1122.	Naples	2d.
1063.	Old Calabar	½d.	1123.	Hakodate	1d.
1064.	Samoa	½d.	1124.	Montevideo	2½d.
1065	Tahiti	1d.	1125.	Stockholm	1½d.
1066	Chefoo	6d.	1126.	Dantzig	2d.
1067.	Gothenburg	2d.	1127.	The Hague	1½d.
1068.	Buenos Ayres	1½d.	1128.	Odessa	1d.
1069.	Loanda	1½d.	1129.	Berne	1½d.
1070.	Guatemala	1d.	1130.	Malaga	3d.
1071.	Zanzibar	1d.	1131.	Rome	2½d.
1072.	Charleston	2½d.	1132.	St. Jago de Cuba	4½d.
1073.	Nice	1d.	1133.	Munich	1½d.
1074.	Caracas	1d.	1134.	Meshed	1d.
1075.	Lisbon	2d.	1135.	Guayaquil	½d.
1076.	Calais	2d.	1136.	Rio de Janeiro	4½d.
1077.	Rio Grande do Sul	5½d.	1137.	Tonga	1d.
1078.	Philadelphia	2½d.	1138.	Copenhagen	1d.
1079.	Brindisi	2d.	1139.	Tangier	1½d.
1080.	New York	2d.	1140.	Buenos Ayres	2½d.

No. 1141.

Reference to previous Report, Annual Series No. 977.

BRAZIL.

PARA.

Consul Kanthack to the Earl of Rosebery.

My Lord, *Para, October* 11, 1892.

I HAVE the honour to enclose Mr. Vice-Consul Airlie's Trade and Commerce Report for period July 1, 1891, to June 30, 1892.

I have, &c.

(Signed) E. KANTHACK.

Report on the Trade of Maranham for the Year 1891-92.

ABSTRACT of Contents.

	PAGE.
Shipping and navigation	2
Imports	2
Exports	3, 4
Industries	5
Immigration	5
Taxation	5
General remarks..	6, 7

Shipping and Navigation.

RETURN of Shipping at the Port of Maranham during the Year from July 1, 1891, to June 30, 1892.

ENTERED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
American	1	623	21	43,084	22	43,707
British	7	2,175	50	44,363	57	46,538
Canadian	1	298	...	...	1	298
Brazilian	2	502	109	198,233	111	198,735
French	2	719	...	...	2	719
German	1	356	2	2,736	3	3,092
Norwegian	16	6,775	...	...	16	6,775
Portuguese	11	5,806	...	...	11	5,806
Total	41	17,254	182	288,416	223	305,670
,, for the year preceding ...	30	10,865	154	251,544	184	262,409

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
American	1	623	21	43,084	22	43,707
British	5	1,368	50	44,363	55	45,731
Canadian	1	298	...	...	1	298
Brazilian	2	502	109	198,233	111	198,735
French	2	719	...	...	2	719
German	1	356	2	2,736	3	3,092
Norwegian	19	7,955	...	...	19	7,955
Portuguese	13	6,497	...	...	13	6,497
Total	44	17,318	182	288,416	226	306,734
,, for the year preceding ...	24	8,636	156	253,094	180	261,730

Imports.

Imports. An improvement over the past year is shown in these, amounting to about 7½ per cent., thus nearly recovering the loss of the preceding year.

RETURN of the Value of Imports to Maranham during the Year from July 1, 1891, to June 30, 1892, compared with that of 1890-91.

	Value.	
	1890-91.	1891-92.
	£ s. d.	£ s. d.
Various articles imported, details of which cannot be obtained	481,019 5 7	516,529 19 7

RETURN of the Principal Articles of Export from Maranham during the Year from July 1, 1891, to June 30, 1892, compared with that of 1890–91.

Articles.	1890–91.		1891–92.	
	Quantity.	Value.	Quantity.	Value.
	Tons.	£ s. d.	Tons.	£ s. d.
Cotton	4,877	218,508 19 6	4,319	139,893 0 0
Sugar	3,061	26,446 6 9	4,275	40,728 0 0
Hides	812	26,136 13 8	1,131	29,280 2 4
Skins (deer and goat) ..	46½	7,263 14 5	62¾	6,717 12 1
Gum	90	237 17 0	279	3,243 16 2
Balsam	21	3,594 0 10	33½	3,676 1 10
Cotton seed	2,047	4,326 5 6	2,549	4,945 19 4
Rubber	9	1,402 3 4	17½	1,518 13 4
Farinha	5,056	43,708 17 5	3,096	16,384 3 4
Sundries	338	8,733 13 11	576¾	11,572 6 2
Total	16,357½	340,358 12 4	16,339½	257,959 14 7

TABLE showing the Total Value of all Articles Imported and Exported at the Port of Maranham from and to Different Countries from July 1, 1891, to June 30, 1892, compared with that of 1890–91.

Country.	Imports.		Exports.	
	1890–91.	1891–92.	1890–91.	1891–92.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Great Britain	284,356 19 10	319,243 8 6	87,968 4 8	64,138 8 1
United States of America ...	69,701 12 10	79,188 6 4	10,303 14 1	10,924 11 5
Portugal	37,696 19 8	23,358 6 9	242,086 13 7	182,468 14 3
Germany	55,315 1 4	35,000 2 5	...	428 0 10
Belgium	1,669 19 1	3,335 10 1	...	...
France	32,278 12 10	56,399 5 6	...	...
Total	481,019 5 7	516,529 19 7	340,358 12 4	257,959 14 7

The relative position of Great Britain as regards the other countries shows an insignificant gain, but still it is a gain of 2·7 per cent., while the United States has only increased 0·84 per cent., and Germany and France would seem to have changed places, Portugal having fallen off to a great extent, as shown in the following table:—

TABLE showing Proportion of Imports from different Countries during the Year 1891–92 compared with 1890–91.

Countries.	Percentage.	
	1890–91.	1891–92.
Great Britain	59·11	61·81
United States of America ..	14·49	15·33
Germany and Belgium	11·85	7·42
France	6·72	10·92
Portugal	7·83	4·52
Total	100·00	100·00

Exports.

Exports.

More or less weight for weight was exported in 1891–92 as in the preceding year, being 16,339½ tons as against 16,357½ tons, but details have considerably altered.

TABLE showing Principal Articles of Export according to Weight during the Year 1891–92 compared with 1890–91.

Articles.	Quantities.	
	1891–92.	1890–91.
	Tons.	Tons.
Cottons	4,319	4,877
Sugars	4,275	3,061
Farinha	3,096	5,056
Cotton seed	2,549	2,047
Hides	1,131	812
Gum	279	90
Sundries	576	338

This shows that sugar has again taken a decided step in advance, stimulating the hope that it will yet recover its former prominent position in the list of production.

Farinhas has rapidly fallen off, and owing to fiscal changes in Portugal it is doubtful if there will be any at all exported.

By far the greatest receiver of produce from here continues to be Portugal, the proportions being as follows:—

Country.	Percentage.
Portugal	70·73
Great Britain	24·87
United States of America	4·23
Other countries	0·17
Total	100·00

Industries.

Central sugar factory.

The production of this establishment is chiefly consumed in Brazil, and shows a fairly successful year, although not up to the preceding, owing to the disorganisation in the furnishing of cane; still the working allowed a dividend of 7 per cent. on the nominal value of shares, its operations consisted in crushing during the year 18,400 tons of cane, yielding 1,108 tons of sugar and 502 pipes of rum, giving a gross result of 304,829$800 reis, against 26,689 tons of cane yielding 1,707 tons of sugar and 692 pipes of rum, giving a gross result of 382,018$400 reis in the year 1890–91.

The net profit in the year 1890–91 was 131,355$690 reis, that of the year 1891–92 was 116,753$906 reis, showing a diminution of profit of 14,601$784 reis.

The position of this establishment is now much better assured, but still it has to contend with great uncertainty in its supply of cane, owing to the difficulty of obtaining sufficient workpeople. It has recently been thoroughly overhauled and made as good as new under the able superintendence of Mr. C. A. Matthey, from Messrs. Fawcett, Preston, and Co., of Liverpool.

The company which undertook the supplying of cane was unable to have it all cut for want of workmen, and had to abandon a large quantity in the fields; had this not occurred the central factory would have given a dividend which, without exaggeration, might have been called magnificent.

Spinning and weaving mills.

One of the six mills referred to in my last report has been making cloth for a few months past, the others are gradually approaching completion, and it is calculated that by the end of this or early in next year all will be working, but only with about one-third of the full complement of looms.

There are again three small mills projected since our last, and now in course of erection.

Immigration.

Immigration.

No further experiments have been made in bringing people from Europe or the States, not more than half-a-dozen of those originally brought having remained, and some of those have abandoned agriculture and settled in town, one as a goldsmith and another a teacher of languages; notwithstanding this the Government keeps up a considerable staff for the management of this department.

Taxes.

Taxes.

It is with deep regret I have to report the fact that, in order to constitute Maranham an organised State, to attain which it has to assume certain responsibilities and charges which hitherto were maintained by the general Government (which, while

passing them to the shoulders of the new organisation, retains for itself all duties levied on imports), and to meet these the State Congress has voted a budget which imposes such taxes on produce as most surely will cripple the agriculturist to such an extent as to force him to abandon cultivation as being unremunerative.

Representations were made to the Congress calling attention to the consequences of such heavy taxes on produce, and the desirability rather of cutting down the expenditure. The reply was that the expenditure could not be reduced, and unless the authors of the representation could point out other sources of revenue the said taxes must be levied. The Governor, so far, has not sanctioned the law, seeming to hesitate in assuming the responsibility of this measure.

General Remarks.

General remarks.

The flattering prospects cited in my last report unfortunately cannot be confirmed, the experience of the year having in a great measure belied the anticipations.

The Exploraçoes Agricolas Company having encountered insuperable difficulties in securing workpeople to cut down the cane did not furnish the stipulated quantity to the Central Factory, and prospects are no better, if not worse, for the crop of the current year. There is a splendid crop of cane in magnificent condition, said to be equal to 30,000 tons; workers to cut it down are not to be found.

The company induced the Governor of the State to aid it by furnishing passages, the company incurring all other expenses to bring people from the neighbouring State of Ceara, where there is a superabundant population. The result, however, can scarcely be said to compensate the expenditure; the best that can be said of it is that it is a little better than nothing owing to the indolent habits of the people.

This labour question is the key to the whole position, and a most serious one. From all sides come the same complaint of produce having to be abandoned for want of people to gather it in; hence the applause which has greeted the proposition of introducing Chinese labourers, and hopes are expressed that a goodly number may be brought to this State.

Mr. Matthey, already mentioned, expressed his opinion that Maranham has capacities for the production of sugar once the plough be generally adopted, and irrigation applied to certain districts.

The company organised in Rio de Janeiro for developing the resources of this State has suffered from the disastrous reaction and disenchantment which followed the excitement of company forming in that capital, and for the present it is forced to delay the erection of the two central sugar factories, the introduction of immigrants, the improvement of the port or the alternative of

changing it to Itaqui, and the connecting by railway this State to that of Goyaz.

It limits itself to the carrying on the enterprises already begun, namely, the prosecution of the railway between the city of Therezina (capital of the State of Piauhy) and the town of Caxias in this State; and also the working of the old plant on the property it acquired for the erection of the central sugar factories, but even these run a risk of being suspended unless some change for the better occurs so as to induce the unfortunate shareholders to save the company from total loss by furnishing more capital.

In conclusion, it is quite clear that no great development of the undeniable resources of this State can be hoped for until the working population be considerably augmented.

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FOREIGN OFFICE.

1893.

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BRAZIL.

REPORT FOR THE YEAR 1892

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series, No. 1018.

Presented to both Houses of Parliament by Command of Her Majesty, MARCH, 1893.

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No. 1160.

Reference to previous Report, Annual Series No. 1018.

BRAZIL.

SANTOS.

Consul Lyall to the Earl of Rosebery.

My Lord, *Santos, February* 8, 1893.

I HAVE the honour to enclose my Consular Report on the Trade and Commerce of the Consular District of São Paulo (Santos), also a Report on Immigration and Remarks on Agriculture for the same district.

I have, &c.
(Signed) WALTER T. LYALL.

Report on the Trade and Commerce and Immigration and Agriculture of Santos for the Year 1892.

ABSTRACT of Contents.

	Page
Imports and exports (British); number of vessels	2
" " (foreign) "	2
Custom-house arrangements	2
The municipality of Santos; sanitary measures	3
The town of Santos, with plan; proposed improvements	3
Railways and interior transport	5
Latin emigration	6
Government regulations (emigrant)	6
The land question	8
Private ownership (waste lands)	9
Squatters	9
Agricultural decadence	9
Non-development a cause of high prices	9
Effect of high wages	10
Scarcity of producers	10
The planter's view	10
The Italian working man	12
Summary of opinions	12
Chinese immigration	13

Imports and exports.

It is impossible to obtain even approximately correct data as to the trade of this port from the custom-house, it is therefore necessary to make an average estimate deduced from the net tonnage of all vessels, British and foreign, which have entered and cleared from the port during the last twelvemonth, or rather up to January 31, 1893.

Since January 1, 1892, 170 British vessels of a total tonnage of 96,000 tons and upwards have entered and cleared, importing general merchandise, machinery, coals, groceries, rice (from Burmah), salt, codfish (from Newfoundland), flour, pork, lard, and tinned provisions (from the United States).

Exports in British ships during the same period have consisted almost solely of coffee, destined chiefly for the United States and Canada.

At least two-thirds of the British vessels cleared in ballast, mostly to Barbadoes for orders.

During the above period 347 foreign vessels, French, German, Norwegian, Dutch, Italian, United States, and Spanish have entered, importing general cargoes amounting to 172,500 tons and exporting 2,500,000 sacks of coffee.

The total exports of coffee to the United States during 1892 have been 1,416,189 sacks, of a value of 20,266,404 dol.

Total exports to the following European ports, Bremen, Rotterdam, Antwerp, Havre, Liverpool, London, Scandinavian ports, Trieste, and Gibraltar, 2,500,000 dol. The greatest exportation has been to Bremen and Havre.

The above data prove Santos to have become, commercially, within the short space of 3 years or 4 years, an exceptionally busy and important place, doing more trade than, perhaps, any port on the coast of South America, with the exception of Buenos Ayres. 5 years ago there were rarely more than 15 vessels to 20 vessels in harbour, now there are 150 vessels to 200 vessels all the year round.

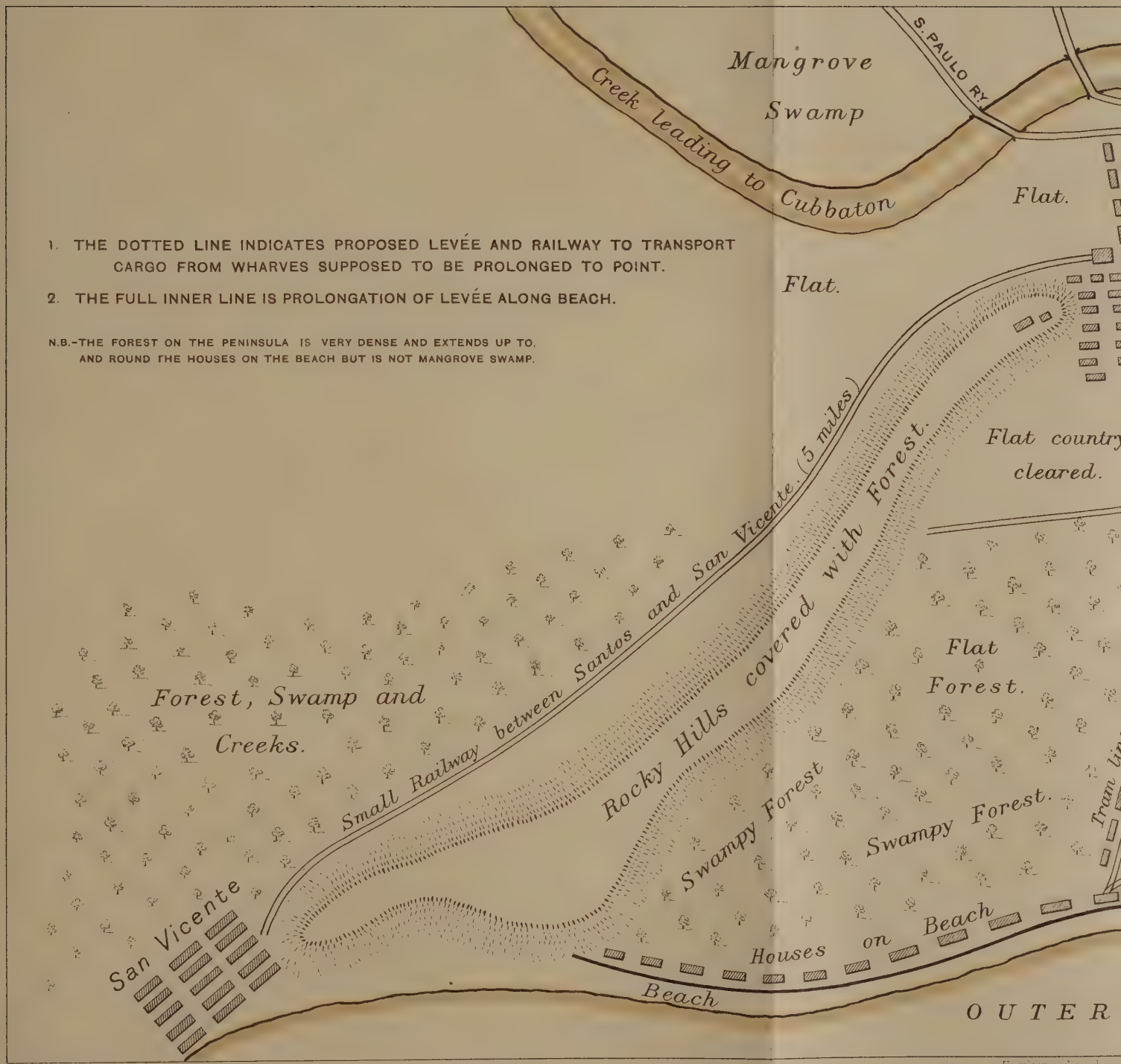
But this sudden rush of commerce has, as might have been expected, overtaxed all departments, fiscal, municipal, and transport.

The custom-house at Santos.

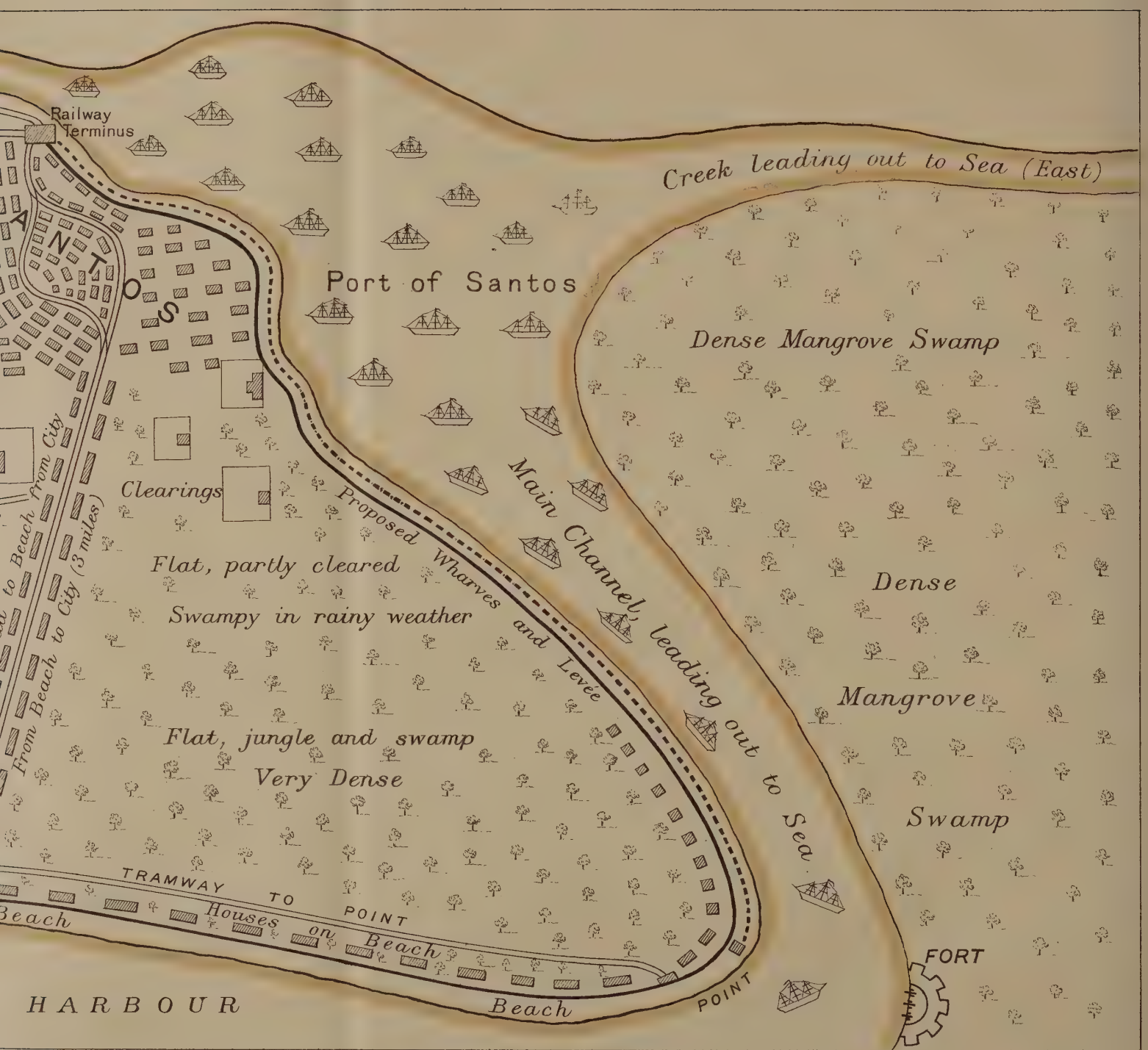
The custom-house is an example, perhaps the most glaring, of the peculiarities of Santos. The place itself, an enormous building, is piled to the roof with general goods, hardware, and every description of merchandise, the wharves in front of the warehouses being also cumbered with mountains of planks, timber, scantlings, bricks, tiles (from Marseilles), iron girders, and sawn piles, ironmongery of all descriptions, steam-sawing gear, &c.,* for which no conveyance can be provided by the single line of railway connecting the port with the interior.

The custom-house staff is by no means adequate; it consequently requires an immense amount of time, application,

* There is not now so much crowding and confusion as there was some months ago, a new inspector having been appointed, but complaints of robberies of goods in transitu from the vessels to the customs warehouses are still rife.


Mangrove
Swamp
Creek leading to Cubbaton
S. PAULO RY.
Flat.
Flat.
1. THE DOTTED LINE INDICATES PROPOSED LEVÉE AND RAILWAY TO TRANSPORT CARGO FROM WHARVES SUPPOSED TO BE PROLONGED TO POINT.
2. THE FULL INNER LINE IS PROLONGATION OF LEVÉE ALONG BEACH.
N.B.–THE FOREST ON THE PENINSULA IS VERY DENSE AND EXTENDS UP TO AND ROUND THE HOUSES ON THE BEACH BUT IS NOT MANGROVE SWAMP.
Small Railway between Santos and San Vicente. (5 miles)
Rocky Hills covered with Forest.
Flat country cleared.
Forest, Swamp and Creeks.
Flat Forest.
Swampy Forest
Swampy Forest.
Tram
San Vicente
Houses on Beach
Beach
OUTER

(1325. 3/93. 1471)


Railway Terminus
SANTOS
Creek leading out to Sea (East)
Port of Santos
Dense Mangrove Swamp
From City to Beach
From Beach to City (3 miles)
Clearings
Proposed Wharves and Levée
Main Channel, leading out to Sea
Flat, partly cleared
Swampy in rainy weather
Dense
Mangrove
Flat, jungle and swamp
Very Dense
Swamp
TRAMWAY TO POINT
Houses on Beach
Beach
FORT
HARBOUR
Beach
POINT

and patience to get merchandise passed through the establishment, while articles are constantly missing, damaged, and injured.

All complaints are ineffectual for the circumstances are beyond the control of the authorities. Nobody foresaw the rush of commerce which suddenly set in, or that a port, custom-house, and railway calculated to comfortably accommodate about 100 vessels per annum would suddenly have to deal with 150 ships to 200 ships of all nations in port all the year round, the situation aggravated by deadly epidemics, an enormous and immediate rise in the price of labour, skilled and unskilled,* also of provisions and necessaries.

The Santos Municipality and Sanitary Measures.

The Santos municipality through having to contend with the epidemic of yellow fever, and, later on, of small-pox combined, has been severely handicapped. Nevertheless, the sanitary requirements and general improvements of the town have been, as far as the circumstances would allow, regularly attended to. In spite of the high price and scarcity of labour, two new hospitals have been built, the sewerage ameliorated, and the work of wharf construction has been kept going day and night. What work has been done has been done well, and, under the extremely unfavourable surroundings, I do not believe that further progress, with the available means, could have possibly been achieved. The Santos municipality.

What is required and, indeed, of first necessity in Santos is discharging facilities, the prolongation of the stone wharf now in course of construction from the town to the Ponta da Fraia at the entrance of the inner harbour. The wharf should be backed by a broad "levee" and served by a railway, the "levee" to be carried along the bay frontage of the peninsula to the hills on the western portion of the flat, between San Vicente and Santos (see plan). This would enable the present swampy expanse of land lying between the town of Santos and the bay shore to be thoroughly desiccated and drained. The jungle could then be cleared off the whole area, blocks of houses, alleys, and roads laid out with gardens and compounds, when, I am convinced, the place would become as healthy as any city in the same latitude in any part of the world. Improvements required at Santos.

The second requirement is house and hotel accommodation for which there is an urgent demand. An ordinary "chacara," or bungalow, cannot be hired at present under 12*l.* per month (unfurnished), the same building, when hired, usually requiring an immediate expenditure of from 20*l.* to 30*l.* to make it habitable. House and hotel accommodation.

There is any quantity of building space, both for garden-houses and blocks of cottages, lying vacant, but the high price of

* At least 300 per cent.

labour hinders the proprietors of these lots from building, consequently house rent is continually on the rise.

At the present moment there is not a house to be had, all are occupied, either by the owners or let on leases at high figures. A few small cottages which are being constructed along the beach road have, I am told, all been rented, in advance, at high rates, 200 reis to 250 reis (12*l.* to 15*l.*) per month.

An extensive hotel was commenced last year on the beach capable of accommodating from 100 to 150 guests, and had nearly reached the ground-floor storey when the company collapsed and the work was stopped.

That such a building would pay well there is no doubt; the only apology for a hotel outside Santos being a garden-house with several shanties adjacent, which has been converted into one. They charge from 10 reis to 12 reis per day for food and lodging of an inferior description.

The alleged "hotels" in Santos itself are destitute of every civilised convenience, yet the price charged is high.

The same is the case at São Paulo, where hotel living on a moderate scale will cost 1*l.* a day per head for "traitement" which anywhere else could be had, of better quality, for 10*s.*

Sanitary arrangements. The hospitals.

A mistaken notion appears to be prevalent in England as to yellow fever and small-pox at Santos, as if these afflictions were merely temporary epidemics, like influenza in Europe, or cholera. But the fact is that yellow fever and small-pox have been going on in Santos for the last 5 years, and are going on now, merely varying from time to time in intensity. As yellow fever diminishes in virulence, small-pox obtains the ascendant, and vice versâ. Small-pox, for instance, has not been so deadly lately, but we have now 200 cases and 300 cases of yellow fever in the hospitals. There were 32 deaths on February 3, and at the date of writing I hear (February 5) that on the 4th 40 or more had died. Both diseases, which appear to keep pace with the overcrowding of the town and harbour, have become chronic and endemic, and as there is no probability of this overcrowding diminishing, but the contrary, they are likely to continue to be so indefinitely.

The mortality of seamen in Santos has been considerably alleviated since provisions were made to enable them to be discharged, and to ship on outgoing vessels as soon as the chance offers. Men can thus often get away from the place within a few days.

The sanitary arrangements are also improved, and an attempt is being made at hospital reform.

During the height of the pestilence last year many men were sent to the hospitals and died there unreported or reported under wrong names. As all who die are buried within 2 hours, such men could not subsequently be traced. There was also no registry of valuables or money which seamen and others had about them on entry, and in not one single instance was the fact of their having died in possession of anything of the sort reported

to the Consulates, though there is reason to believe that such was often the case.

If the captain happened to be on board his vessel when the seaman was taken to hospital, he usually took charge of any trinkets or money, and these were always deposited with the Consul; but if the captain, as was often the case, was living on shore away from the ship nothing was ever heard of anything that may have happened to be in the seaman's pockets when he entered the wards.

It is certain that the greatest neglect and carelessness prevailed, some of which was unavoidable when every hospital was full* and men were dying for weeks at the rate of 30 to 40 per day, with the town half deserted, but much of which might have been obviated.

Outside of yellow fever and small-pox the principal trouble of seamen in Santos is the fact of a white kind of rum, manufactured exclusively in this province, and sold under the name of "cassaca" (pronounced "cashaso"), being exceedingly cheap, and as shops for the sale of this and other liquors are everywhere, it follows that numbers of sailors become intoxicated as soon as they get on shore, and continue so as long as they have any money and can continue to escape being robbed of it, which they often are as soon as "overcome."

A great percentage of the local population of the lower class, fishermen, stevedores, &c., is often drunk and disorderly towards evening, especially on Sundays and holidays, which are here very frequent, and the town in consequence is dangerous after night-fall, robberies with violence being common occurrences.

Railways and transport.

The São Paulo Railway, the only means of communication with the interior, and its insufficiency under present circumstances to deal with the commercial congestion which has prevailed here for the last 3 years, has been already described in my report for 1891–92.

A second railway has now been traced and its construction commenced. A third line is being projected. Three single lines of railway will be none too many to serve such a busy port as Santos, but the epoch at which they are likely to be completed and in working order is quite problematical. All depends on the labour supply being put on a secure basis. At present though higher wages are being paid here for unskilled labour than, perhaps, anywhere in the world, strikes and labour disputes are incessant, and a certain feeling of political and financial insecurity seems to prevail. Nothing seems settled, nobody seems to be able to conjecture what is likely to happen, politically, financially, or as regards agricultural and commercial progress.

Observations as to the immense extent of country awaiting

* There were at the height of the epidemic (or rather endemic) 1,500 cases in the hospitals, besides numerous cases treated outside privately in houses along the beach. In one such house close to my residence on the Ponta da Raia, or "Point," 38, of whom six captains, the rest engineers' mates, petty officers, carpenters, &c., died within six weeks.

development are met with remarks to the effect that it has been awaiting development for 300 years.

Emigration.

The mantle of the first invaders seems to have fallen on the immigrants of to-day; they come here for gold, and, if they get it, go home again, while as regards the Brazilian "pur sang" there seems no intermediate grade between the aristocracy, *i.e.*, the wealthy land and plantation owners, and the agricultural labourer owning a small patch of land and making a bare living.

The emigration of Latin races to the continent of South America is not at all the same process as is implied by the emigration of the northern races of Europe to the British colonies and to the United States. There emigration means colonisation; while Brazilian immigration—with the exception of the German element, here quite in a minority—means a sort of endless procession or stream of immigrants arriving from Europe, working for a certain period of time in this country, and then, with few exceptions, returning to Spain, Italy, Portugal, and elsewhere, instead of remaining to increase and multiply, develop resources, and extend cultivation.

Some of the causes of this procedure I propose to endeavour to elucidate.

Government emigrant regulations.

The Government "regulations" as to "introduction of emigrants into Brazil" are so extensive and complicated that it is necessary to give extracts, their exhibition "in extenso" being more calculated to confuse the reader by the numerous conditions, stipulations, and provisos, than to instruct him on the subject.

These "emigrant regulations" comprise, in fact, eight chapters, consisting of 43 separate "articles," supposed to meet every possible contingency arising between the Brazilian Government, the immigrants, and the estate owners who employ them, but this result has not been uniformly attained.

Chapter II. of the Regulations, headed "Of Proprietors of Agricultural Lands," which I give in extenso, partially explains the case:—

"Part II.

"Chapter II.—*Of Proprietors of Agricultural Lands, &c.*

"Art. 20. Every proprietor of land who desires to locate European immigrants on his property shall have the right to the favours contained in this Decree whenever he shall have fulfilled the conditions therein stipulated.

"Art. 21. Proprietors intending to locate immigrants should be inscribed in the register, to which reference is made in Decree No. 451 B of May 31 last, and must not have less than 500 hectares of uncultivated land, or 300 hectares of cultivated.

"The distance from the centre of consumption, or from a station on the nearest railroad, must not exceed 13,200 metres, counting from the centre of the property.

"Art. 22. The proprietors should be described in a Memorial containing precise information in regard to the quality of the land, the salubrity of the climate and their suitability for cultivation, the courses of the streams which water them, as well as also the kind of tillage to which they are adapted.

"Also, whenever describing properties already under cultivation, there should likewise be mentioned the estates which they already contain, as well as the buildings, machinery, and apparatus which they possess for the conversion of the products of the soil.

"Art. 23. Properties should be divided into lots, conveniently provided with water and with wood for domestic purposes.

"In uncultivated properties the areas of the lots must be of 15 hectares; in those already cultivated the lots should contain 5 hectares at least, these having not less than half their area already under cultivation.

"The lots should have the necessary roads for communication between themselves and existing highways or with those projected.

"Art. 24. Lots containing a temporary house in value not less than 200 milreis according to a type approved by the Government, shall be sold to immigrants with families at a maximum price of 25 milreis per hectare, the lands being uncultivated, or 50 milreis where the lands are cultivated. In these prices the cost of the provisional house is not included.

"Payment shall be made by annual instalments, to count from the first day of the second year of the term, which shall not be less than 10 years, these being added to the amount of each instalment, interest never to exceed 9 per cent. per annum.

"Art. 25. Proprietors shall advance to immigrants, who have been located on their premises, tools, seeds, &c., as well as the necessary means of subsistence for them and their families for the period of 9 months while they have not received the results of their tillage of the soil.

"The amount of the advances shall be added to the value of the lot which, with all the improvements, shall be hypothecated to the proprietor until the final payment.

"Art. 26. The immigrant shall receive at the time of his establishment a provisional title to his property, in which shall be inserted with the price of the lot, the advances which he has received.

"In the same title shall also be inscribed the payments which shall be made.

"Once that the payments due from the immigrant have been concluded, this title shall be changed for another of a definite character, and they shall be entitled to all the advantages established by the aforesaid Decree No. 451 of May 31.

"Art. 27. In case of delay in payments for more than two successive years, the proprietor shall have the power to demand the vacation of the lot, paying the immigrant for the improve-

ments which have been made, and one-half the instalments already realised, after deducting from this amount what is due him for advances made.

"Art. 28. In case of abandonment of the lot before complete payment, the immigrant shall have no right to indemnity of any kind whatever.

"Art. 29. It is allowable for an immigrant to transfer his lot provided the proprietor agrees to it.

"Art. 30. In case of disagreement as to the assessment of existing benefits to the lots, a justice of the peace in the district where the property may be, shall nominate an arbiter, who shall decide upon the merits of the case."

It will be seen from the above extract that the Government assisted emigration scheme had for object, not to colonise the waste lands with bonâ fide settlers, but simply to supply agricultural labour to estate, mine, and plantation owners.

No facilities were accorded to the emigrant, as in our colonies or in the United States, to immediately enter into possession of a piece of land.

Imprimis, the price demanded (Article 24) for a plot of 15 hectares of uncultivated land, *i.e.*, 15 hectares of thick semi-tropical "jungle," furnished with a "temporary house," *i.e.*, with a wattle and dab hut or shanty, being 25 milreis (or nearly 30*s.*) per hectare is exceedingly high. 15 hectares at 25 milreis per hectare make a total of over 20*l.*, bearing interest at 9 per cent., and this the emigrant has to work out. The whole plot of 15 hectares, with improvements made by the tenant, is to be hypothecated to the landlord until the 20*l.* (with interest) and any advances made in the interim has been cleared off; the upshot is, that the odds are much in favour of the immigrant having to work many years for the landlord before he can call his holding his own, more especially as the "vendas," or small shops and stores, for the sale of necessaries, piece-goods, liquor, tobacco, &c., on and adjacent to the estate, at which the labourers obtain what they want, on credit, are certain to be in the landlord's hands.

In fact, the whole arrangement is nearly identical with the Peon system prevailing in Mexico and many of the South American Republics. Articles 27 and 28 are specially suggestive.

Waste and unoccupied lands in the State of São Paulo.

The financial difficulties of the Brazilian Government might, one would suppose, be alleviated by throwing some of the millions of acres of naturally rich, but actually useless and unprofitable land which they possess, on the market, either by lease or sale to European syndicates, who could soon find a way to turn them to account; but this solution, I am informed, the Government refuse to consider on the principle "that it would be derogatory and undignified to sell 'the lands of the people.'"

The land question.

The consequence of this policy has been that great part of the vast province of São Paulo is, with the exception of its coffee plantations (a comparatively new industry), both as regards agricultural development and rural population, in much the same

condition as when the first Portuguese explorers landed in A.D. 1550, and is likely to remain so.

The land question in Brazil is apparently in a sort of deadlock, or, rather, is moving in a vicious circle, the Government refusing to dispose of waste lands to speculators, who would dispose of it to colonists; nor will it lease plots of it at a nominal rent per acre to bonâ fide agricultural settlers and colonists, reserving the right to increase the rent by a new settlement every 20 or 30 years as the land becomes more valuable, and as more of it comes under cultivation (on the East Indian system).

Nominal private owners of land.

In the meantime immense tracts of waste land of the richest description are, and have been for generations, in the hands of so-called private owners, who hold it on nominal titles acquired, perhaps, in the 17th century, either by alleged grants from the Crown, or alleged purchase from Indians at that period, or from their ancestors having married Indian women whose families were supposed to own it. Nothing appears to be done with these vast areas, two-thirds of which at least are unsurveyed and undemarcated, the "proprietors" who are taken quite seriously either refuse to sell or ask prices which no capitalist, or rather no colonist, could afford for an investment requiring a large preliminary outlay in clearing, making roads and communications, &c., and which would only return a profit when this expenditure had been recouped; a period, judging by East Indian precedents in plantation farming, of which I have had considerable experience, of 10 to 20 years.

Squatters on lands of nominal proprietors.

I am informed that the only bonâ fide colonists in the province are squatters on these lands, mostly Italians, who have quietly taken possession and formed communities, pay no rent, and defy the nominal proprietors, resisting them by force if necessary; I have heard of them threatening and driving off both surveying parties and parties of police sent by Government to protect the surveyors, asserting "that they have as much right to the land as the supposed owners;" and they are certainly doing something with it, whereas the "owners" do nothing.

Neglect of agricultural resources.

From any point of any summit of the "Sierra do Mar," or Sea Range, which is a conglomeration of mountains some hundreds of miles in length, and from the sea to its northern slope, 30 miles to 40 miles in breadth, thousands of acres of forest covered hill and valley may be seen, here and there a small clearing barely visible. At least two-thirds of this immense area, if in the hands of Chinese or Indian agriculturists, would have been dotted with prosperous villages, producing every semi-tropical spice, fruit, cereal, and vegetable. The existing scattered inhabitants, mostly negroes or "Mestizos," have no notion of any but the most rudimentary agriculture. No attempt at terracing,* the first condition of mountain cultivation, is ever seen, or has, I believe, ever been heard of.

Non-development the cause of high prices of necessaries

The country immediately around Santos, within a radius of

* Cutting the hill side into flat terraces built up with stones, so as to prevent the heavy rain from washing the soil off. Universal in India and China.

and provisions.

8 miles or 10 miles from the town, is in the same condition, while the commerce of the town, and consequently its population, having quadrupled within the last 4 years or 5 years, these little "ranches" and hamlets in the jungles, formerly sufficient to supply a population of 3,000 to 4,000 with vegetables, fowls, fruit, eggs, &c., are now incapable of doing so, and everything having to be brought from a distance, the supply never keeping up with the demand; high prices prevail, and will continue to prevail, until organised and systematic farming and market gardening is undertaken. But this, as matters stand with regard to the land question, and with a foreign working population able to obtain nearly 10*s.* a day for unskilled labour in the towns, and looking forward to leaving the country for good, as soon as they have accumulated 40*l.* or 50*l.*, is likely to be postponed "sine die." With the price of provisions everything else has risen in the same ratio. Shopkeepers have trebled their prices for every article, from an umbrella to a suit of clothes, and for a great percentage of goods, such as hats, crockery, china, ornamental furniture, &c., have quintupled the figures. House owners have trebled their rents within the last 3 years, servants their wages, the same with carpenters, blacksmiths, gardeners, masons, and all craftsmen.

Effect of high rate of wages on working population.

The high rate of wages perpetually adds to the ranks of the consumers; it enables the Italian immigrant (who can get all he is used to, viz., bread, salted olives, rice, and dried fish, cheap enough) to speedily accumulate sufficient capital to start some small industry in his native land; he consequently leaves, and his place is taken by another who, eventually, does likewise. No encouragement being held out to agricultural immigrants to come here, they keep away; yet the absence of this class is actually the whole "causa mali."

Scarcity of producers.

The country, while, perhaps, the richest in the world, has no serious producers, except of coffee, which is all exported, while the public works in progress, the railways, water supply, house building, wharf construction, and the enormous import trade in connection with these improvements, has suddenly quintupled the number of consumers by employing thousands of men as stevedores, quarrymen, navvies, cartmen to and from the wharves, railways, and warehouses.

The above is the actual state of affairs in the province of São Paulo—population about 2,000,000—as to agricultural non-productiveness, the labour market, and the ruling exorbitant price of necessaries, which, of course, only results from an inadequate food supply caused by a lack of producers.

As regards the immigration problem, per se, it is only fair to give the Brazilian view of the question, which is as follows:—

The Brazilian (plantation owners) view of the immigration question.

The Brazilian land and plantation owners do not deny that the Government emigration scheme had for its object to replace slave labour; and they plume themselves very justly on having had the wisdom to foresee, years beforehand, that slavery was doomed, and to have consequently acquiesced in its quiet and gradual extinction, unattended by the disturbances, financial ruin

and civil war, which accompanied its sudden suppression, both in the British Colonies and in the United States.

They confidently assert: firstly, that their method of promoting colonisation, and providing a working agricultural population for this rich country is the best available. That it acts as an apprenticeship to the future colonist, who, while working for several years on a plantation has opportunities of learning the manners and customs of the country, the qualities of the soil, and the best methods of cultivation, which knowledge when he has served his time and obtained his plot of land, he will be able to turn to excellent account.

Secondly, that it would never answer to sell, give, or lease plots of waste forest land, however fertile, remote from towns and villages, to newly arrived immigrants, without capital and without experience; they therefore propose to put it in the power of every immigrant, whether he arrives with a small capital or none at all, to make a living from the first, by locating him on old established plantations, near towns and railways where they will form colonial centres, the idea being to eventually divide these already formed plantations piece by piece among the colonists, who have served their time, while the original proprietors go further afield and establish new plantations on the same principle on virgin soil, dividing them up ultimately among a fresh band of immigrant agricultural colonists.*

Thirdly, that the immigrant receives a free passage to the port of landing, and thence to the plantations in the interior. On arrival he finds a house ready for him, which, if rude and rudimentary, is at any rate ready made, and a better one than he could have made himself, unaided. That the planter advances him food and necessaries, hands over to him at once sufficient land to make a corn patch, and a kitchen garden which he can cultivate during his spare time. That, if he is industrous, he can easily make 200 reis (about 12*l.*) per annum, by working on the plantation (coffee) for the landlord†.

Fourthly, they finally point to the fact (statistical) that in one canton or county alone in the province of São Paulo, Italian immigrants, who arrived with nothing, now possess property worth‡ 5,000,000 fr. to 8,000,000 fr., all gained by the system of working on plantations; that in other cantons, not so far advanced, the plantation immigrants are all showing yearly improved conditions, most of them owning horses, pigs, poultry, &c., besides producing abundance of maize, potatoes, and vegetables; that not one of them after 5 years' work has saved less than 500 reis (30*l.*), and many of them much more.

That the banking returns of Genoa, Lucca, Milan, Naples,

* Certain people opine that this is a plan for "unloading" worked-out plantations which no longer return a profit on to the colonists.

† Each immigrant employé has a certain area of coffee plants to attend to, and is paid according to the yield of coffee.

‡ That is, worth collectively.

&c, prove conclusively that as much as 7,000,000 fr. per year on an average is deposited by Italians resident in Brazil.

Number of Italian working men of all classes in the province of São Paulo; their economies.

This I can very well believe, the number of Italians in the State of São Paulo alone being now quoted at 300,000, near one-sixth of the population of the entire State; but the argument rather tells against the planters than in their favour, the fact being that at least 70 per cent. of these Italians are working in the towns or on railways and public improvements, where they receive as high, or higher pay than they would receive—for unskilled labour—in any country in the world. It is from their savings that the bulk of the money transmitted to Italy originates, and to Italy they will follow it themselves. Besides Italians "resident in Brazil" is a large order, it may be considered certain that not more than 2,000,000 fr. or 2,500,000 fr. at most is forwarded from the State of São Paulo.

Summary of opinions on the immigration question.

To sum it up, it may be taken that as regards the governmental or plantation system of colonisation, the truth lies between the two extremes of laudation by the Brazilian plantation owners and the officials in power, and the criticisms of the opposition and foreigners. The plantation owner contends that it has produced excellent results; the progressivists and the enlightened foreigners accustomed to the free and independent system of the British colonies and the United States, maintain on the other hand that the Government scheme, theoretically excellent, is too complicated, and offers to a grasping and unscrupulous landlord too many chances of over-reaching the immigrant employé. That the principle of millions of acres of fertile land, which never has and never will be put to any use, as things are at present, being yet all supposed to belong to somebody or other, the somebody being often an ignorant "Mestizo," is altogether inept, obsolete, and antiquated, and especially under a Republic is the grossest anomaly and anachronism.

That all this area should be at once taken in hand by the State, the alleged proprietors presented with a title to as much of it as they can personally utilise, and that the remainder should be surveyed, demarcated out at a reasonable price per acre, and allotted to colonists, the amount being payable by instalments lasting over a term of years; or that the land should be granted rent free to colonists for a certain period, after which a reasonable rental per acre to be established on the cultivation, payable to the State, the colonists to have the option of redeeming this tax by purchasing the land at a fixed price out and out from the Government, or that tracts of waste land of sufficient area should be demarcated, and colonists invited to settle upon them in communities, after the manner of German colonies which have proved successful everywhere, in the United States, Russia, the British colonies, and the Argentine and Paraguay Republics.

The "Nucleo" Governmental colonial experiments.

These suggestions have been largely borne out by the results of the Nucleos, or experimental colonies on the German model, established by the Republican Administration of São Paulo in 1887.

Two large estates were purchased by the Government, laid out in plots, and distributed to immigrants on application. The

first, situated on the São Paulo and Rio de Janeiro Railway in the canton of Lorena, called the "Nucleo das Cannas" is 4 square kiloms. in extent, and is 8 miles or 10 miles from a large sugar factory; it is laid out in 78 plots or small farms of arable land, and has 120 town or village lots, each with a small house ready for colonists.

Within a year 72 lots were occupied and doing well; they cultivate principally sugar-cane and corn, also root crops and vegetables.

The second colony on this plan is in the canton of Rio Claro in the northern part of State on the Paulista Railway, near three considerable bourgs, viz., Limeira, Rio Claro, and Araras. This grant is divided into 69 farms, and has 52 suburban and 124 town lots. Within 2 years 59 lots were occupied. The cultivation is maize, wheat, millet, experimental vineyards, and some coffee.

In addition to these State founded colonies in the outlying provinces there are seven others on a smaller scale, three of which are in the immediate vicinity of the capital, whose markets are, to some extent, supplied by them with grain, fruit, and vegetables. These settlements, all founded in 1887, are doing very well and are well populated.

The largest, San Bernardo, 2,000 hectares, has a population of 1,500, and produces a net value of 3,000*l.* to 4,000*l.* yearly.

The other two are doing equally well in proportion, while the four others, Pariguera, near Iguape on the sea coast, Ribeirão Preto, Tundiahy, and Porto Feliz, in the interior, are all doing well. The last named, Porto Feliz, is an exclusively Belgian colony of 50 families, who have furnished 1,000 fr. per family to meet the preliminary expenditure. This last colony was founded in 1888, and consists of 1,601 hectares in plots of 25 hectares each. Several other Nucleos are in course of formation, and it seems probable that this system will gain ground yearly, especially as regards the better class of immigrants arriving with a certain amount of capital and agricultural experience.

Chinese.

The National Congress has now authorised the admission of Chinese immigrants (formerly strictly prohibited), and it is reported that two commissions have proceeded to Shanghai to arrange for their introduction into this province; but it is doubtful, not only whether permission will be accorded by the Chinese Government, but, if so, whether Chinese emigrants will feel disposed to avail themselves of it. Chinamen do well enough, with the sole exception of Australia, in British territory, because they are treated as citizens and allowed elbow room, but will not thrive or do not seem to thrive under republics; with their untiring industry, economy, thrift, and capacity for work in hot climates, they are precisely the people who are required here, but those very qualities are certain to militate against them, with the lazy, shiftless, ignorant Brazilian negro and "Mestizo" whom they would supersede, and probably with the Italian working men, whose present high wages they would interfere with.

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1213.	Havana	2d.
1214.	Cagliari	1d.
1215.	Old Calabar	½d.
1216.	Foochow	1d.
1217.	Wuhu	1d.
1218.	Vera Cruz	1½d.
1219.	San José	1d.
1220.	Antwerp	1d.
1221.	Mogador	2½d.
1222.	Berlin	1½d.
1223.	Rome	1d.
1224.	Constantinople	6½d.
1225.	Barcelona	2½d.
1226.	Madeira	5½d.
1227.	Söul	1½d.
1228.	Chinkiang	1d.
1229.	Newchwang	1d.
1230.	Chungking	1½d.
1231.	Hankow	1d.
1232.	Odessa	2d.
1233.	Chicago	3d.
1234.	Taganrog	2½d.
1235.	Ningpo	1d.
1236.	Mannheim	1d.
1237.	Dunkirk	1d.
1238.	Macao and Timor	1d.
1239.	Madrid	½d.
1240.	Port-au-Prince	2d.
1241.	Frankfort	3d.
1242.	Erzeroum	1d.
1243.	Palermo	3½d.
1244.	Naples	1d.
1245.	Guatemala	1d.
1246.	Madrid	1d.
1247.	Gothenburg	2d.
1248.	Brindisi	2½d.
1249.	Fiume	2d.
1250.	Leghorn	2½d.
1251.	San Francisco	5½d.
1252.	Bushire	2d.
1253.	Nagasaki	1d.
1254.	Smyrna	1d.
1255.	Yokohama	1½d.
1256.	Stockholm	1½d.
1257.	Lisbon	1½d.
1258.	Tientsin	1d.
1259.	Port Said	1d.
1260.	Hiogo and Osaka	2½d.
1261.	Damascus	1d.
1262.	Samoa	½d.

No. 1263.

Reference to previous Report, Annual Series No. 1077

BRAZIL.

RIO GRANDE DO SUL.

Consul W. R. Hearn to the Earl of Rosebery.

My Lord, *Rio Grande do Sul, April* 30, 1893.

I HAVE the honour to transmit herewith my Report on the Trade and Commerce of the State of Rio Grande do Sul for the year 1892.

I have, &c.
(Signed) WALTER R. HEARN.

Report on the Trade and Commerce of Rio Grande do Sul for the Year 1892.

ABSTRACT of Contents.

	PAGE
Introduction	2
Trade and commerce	3
Factories	4
Breweries	4
Commercial reciprocity treaty	5
Imports	5
Exports	6
Agriculture	6
Fisheries	7
Cattle trade	8
Banking	9
Finance	9
Exchange	10
Shipping and navigation	12
Wrecks and casualties	14
Communication with Rio and Europe	14
British seamen	14
Charter parties and bills of lading	15
Litigation	16
Shipping, general	16, 34
„ Brazilian	16, 33
Foreign flags	16

Abstract of Contents—continued.

	PAGE
Freights	17
„ payment of	18
Port charges	18
Quarantine	20
Public works	22
Bar, state of the	22
„ improvement works	22
„ improvements inside	23
Railways	24
Colonies, remarks on	27
Postal arrangements	28
Telegraphs	28
Tramways	28
Electric lighting	28
Gas lighting	28
Miscellaneous	28
Holidays	28
Public health	29
Death rate	30
Municipal Loan	30
Immigration	31
Domestic servants	32
Tables of shipping	33
Shipping, British	36

Table of Weights and Measures and Currency.

1 kilogramme	= 2·2046 lbs. avoirdupois
1,000 kilogrammes	1 ton
1 arroba	32·379 lbs. avoirdupois
1 alqueira	·825 bushel
1 kilometre	·621 or about ⅝ mile
1 milreis = 1,000 reis	par value, 2*s.* 3*d.*; exchange value, 1*s.*

Note.—The amounts in sterling are converted at the rate of 1*s.* per milreis.

Introduction.

Political situation.

The year 1892 passed away leaving the State of Rio Grande do Sul in much the same condition as when it began, except that in the meantime there had been a change of Government and President accomplished by force without direct bloodshed. The very disturbed political condition of the country had a very uneasy effect on trade and commerce, and importers were loath to do business, and exporters found an element of doubt pervading their estimates which would have been absent in more peaceful times.

However, all things considered, neither importers nor exporters seem to have suffered seriously.

The depreciation of currency, the limited production, and increased demand in Northern Brazil for the products of this State caused a rise in price of all commodities which has been seriously felt by the population.

A similar rise appears to have pervaded all Brazilian products. Santos coffee is as expensive in Rio Grande as it is in London, and I can import my sugar from London or New

York, paying freight and duty, and have a superior article at the same price as I have to pay for the Brazilian sugar sold in this city.

Once more I am obliged to make my report without the aid of the custom-house returns, which alone can prove how the trade of the State has stood.

Owing to increased duties imposed on the custom-house staff by having to undertake the army and navy pay department, their returns are more behind hand than usual.

I regret that owing to the absence on leave of Mr. Vice-Consul Archer my report is deprived of his usual valuable appendix on the trade and commerce of Porto Alegre.

Trade and Commerce.

The state of the money market during the year 1892 favoured the establishment of local industries, and those already at work did a very lucrative business.

Wool and cotton factory.

The "Union fabril e pastoril," the principal wool and cotton factory here, was fully occupied the whole year, and declared a dividend of 17 per cent. in October last.

Sheep breeding.

The desire of this company to engage in sheep farming and grow their own wool has hitherto been frustrated by the disturbed state of the country, which renders cattle rearing and agricultural pursuits a very precarious undertaking, and for the coming year the prospects of any crops are hopeless except in the German and Italian colonial districts, which reap rich harvests at famine prices, while the rest of the country is in a state of lying fallow owing to political disturbances.

Scarcity and dearness of food.

This was the case during the past year and will be again in the coming one, and the ordinary food of the population will continue to rise in price while the purchasing power of the currency is steadily falling.

Rise in wages.

For this reason the directors of the above-mentioned company have, on four separate occasions during the past two years, voluntarily increased the wages of their employés, who also enjoy all the advantages of a co-operative store, as well as mutual medical and pension funds.

Soap and candle factory.

Another important factory which has lately commenced work is that of the "Companhia Industriel e Mercantil Rio Grandeuse," which manufactures stearine candles, perfumery, soap, &c.

The original capital was 500,000 milreis (25,000*l.*), which has been lately increased to 1,000,000 milreis (50,000*l.*) by the issue of debentures.

The buildings are very large and the machinery of the most modern construction.

Preserving companies.

The buildings of Messrs. Leal, Santos and Company for preserving fruit, vegetables, fish, &c., are almost finished. It is a factory of large proportions and in a prosperous condition.

The principal customers are in Rio de Janeiro and the north of Brazil.

The "Companhia Alliança do Sul" also preserves fish, fruit, and vegetables at São José do Norte. It has a capital of 200,000 milreis (10,000*l.*), and its managing director as well as several of the Board are Englishmen.

Small wares. The "Companhia Oriental fabril e Agricola," with a similar capital to the above (10,000*l.*), have erected a factory at Quinta station, close to Rio Grande, and manufacture stay busks and bones, combs, buttons, and horn articles.

The firm of Hormain and Company, which commenced business as a limited company a year ago with a capital of 100,000 milreis (5,000*l.*) for the manufacture of corsets, cravats, shirts, and linen wares, has just declared a dividend of 17 per cent.

A large number of women are employed, and there is a great demand in this and other States for their goods, which are reputed to rival those of foreign origin.

Tanneries. The tannery of Messrs. Kisktheuer and Becker supplies much of the leather used in this State, and they export to other parts of Brazil.

There are also a number of small tanyards.

Cigar factory. A new company, with a capital of 50,000 milreis (2,500*l.*), has lately commenced business for the manufacture of Havanna and national cigars under the name of "Poock and Co." They employ at present 65 hands, 24 of them being expert workmen from Hamburg. They have bought a large stock of the best qualities of foreign as well as Bahia and Rio Grande tobaccos, and make daily from 5,000 to 10,000 cigars of every description, from pure Havannas to cheap natives.

This company should do well, as the import duty on cigars is 7$650 reis (7*s.* 8*d.*) per 100, and on leaf tobacco only 780 reis (10*d.*)

Breweries. The number of breweries in the State is constantly increasing and the outturn of beer must be double what it was a year or two ago.

One new brewery has been started at Rio Grande during the year by a firm of Italians, making four in all now in the town.

Beer. The trade in imported British bottled beer has fallen off very considerably owing to the depreciation in exchange, the increased duties, the growing number of native breweries, and the competition of German brewers, who command a large part of the trade, owing to the preponderance of German merchants and colonists in Rio Grande do Sul.

The "Pig Brand" bottling of Bass and Guinness holds a practical monopoly of British beers in this State, but lately there have been good sales of Tennent's lager beer, these light ales being much preferred to strong ale, which is too heavy for the climate.

A considerable amount, however, of Bass's light dinner ale

is sold in Porto Alegre and Rio Grande, of the above-named "Pig Brand" bottling, but at present prices it has become quite expensive luxury.

A flour mill is nearly completed and will commence work in 1893. It will have to compete with similar establishments at Rio de Janeiro and Pelotas as well as with foreign flour, which at present pays an ad valorem duty of 10 per cent. Flour mill.

The protective import duties have enabled all the above companies to start business and to compete successfully with goods manufactured abroad. Protection.

Should the customs tariff ever be greatly reduced these enterprises must cease working unless the present conditions improve in favour of the native manufacturer, as the cost of machinery, the want of fuel, and the high rate of wages of skilled labour would not allow them to compete with European goods.

The Commercial Reciprocity Treaty signed in 1891 between the United States of America and of Brazil, appears to have failed in its object. Commercial Reciprocity Treaty.

The trade between the two countries, at any rate so far as this State is concerned, does not appear to have been increased by it in the least, and the general opinion appears to be that neither country has gained anything by it.

Imports.

The custom-house returns not being completed beyond the first half of 1891, it is impossible to state whether there has been much or little change in the import trade of this State.

However, as the custom-house total receipts for 1892, amounting to 4,476,895 milreis (223,845*l.*) against 3,280,499 milreis (164,025*l.*) in 1891, show an increase of 1,196,395 milreis (59,820*l.*), it is to be assumed, the duties during this period having been changed from payment in gold to payment in currency with 50 per cent. additional, that there was no great falling off even if there was no increase in the imports.

I have compiled from the monthly trade returns as complete a list as possible of the imports for consumption, no record of other imports being obtainable. They were as follows:—

Articles.		Quantity.	
		1891.	1892.
Sugar	Bags	65,657	56,973
Rice	,, ...	21,377	27,585
Olive oil	Cases	2,836	4,830
Bacalhao	,, ...	1,260	909
Coffee	Bags	6,665	7,677
Beer	Cases	1,659	463
Caxaça	Pipes	1,504	1,009
Wheat flour	Barrels and bags ..	113,041	50,236
Kerosene	Cases	20,885	24,622
Butter	,, ...	1,154	72
Matches	,, ...	1,542	1,271
Salt	Bushels ..	375,040	296,435
Wine	Pipes and cases ..	19,992	75,960

I have no reason to suppose that British goods have not held their place in the market, although, no doubt, the lowness of exchange and the high protective duties, on the strength of which so many national manufactures have been established, tend to make this country more independent of foreign goods.

Still, in cotton and woollen goods, hardware, and machinery Great Britain still heads the market, but there is always a tendency, chiefly on account of the great number of German merchants and the preponderance of German colonists, for the products of Germany to advance in this country at the expense of our own market.

It is, therefore, all the more necessary that British goods should maintain their excellent name for finish and durability which will always insure their having the preference in the principal markets of the world.

Cheaply got up articles may have their day, but, in the long run, the best made goods must prevail over those of inferior workmanship.

Exports.

Agricultural and farm produce.

The cultivation of this State is in a very backward condition and is confined chiefly to the Italian and German colonial districts.

Elsewhere in the State it is quite the exception to see anything but small patches here and there of cultivated land.

The following list of exports which are collected from the cargoes manifested on each vessel which left the port, and are confined entirely to agricultural and farm produce, will give a fair idea of the prosperity of the above-mentioned colonies.

The table gives the exports of farm produce for 1891 and 1892, nearly all of which went for consumption in Rio de Janeiro and other parts of Brazil.

Articles.		Quantity.	
		1891.	1892.
Black beans	Sacks	183,553	267,817
Onions	Ropes ..	486,280	846,146
„	Boxes ..	580	2,210
Lucerne	Bales	255	1,597
Pulse	Sacks	15,860	17,205
Mandioca flour	„	147,470	277,316
Maize	„	148,184	51,460
Eggs	Boxes ..	2,990	4,963
Lard	„	62,505	77,379
Bacon	„	977	2,403
Pork	Barrels ..	2,826	5,855
Potatoes	Sacks	13,528	4,246
Tobacco	Bales	9,213	15,711

It is evident from the above that the past year gave much better returns than 1891, except in the case of maize and potatoes, which apparently gave poor crops in 1892. Some of the tobacco is exported to Hamburg, Bremen, and Antwerp, but the quality is very inferior.

A very large quantity of cabbages, tomatoes, and other vegetables and fruit is sent to Rio de Janeiro in the season as well as rice, lentils, and a little wheat.

There is no doubt that the soil and climate of Rio Grande do Sul are particularly favourable to farming and agriculture, more so, indeed, than the greater part of the neighbouring Republics of Uruguay and Argentina.

Fisheries. The fisheries of Rio Grande do Sul are in a very undeveloped state, but still the amount of salted and dried fish sent to the north of Brazil is not inconsiderable, and is undoubtedly on the increase. The number of fish thus exported in 1892 was 317,615 against 247,675 in 1891.

Other products. The remaining products of which I have been able to find a record of exportation are as follows :—

Articles.	Quantity.	
	1891.	1892.
	Cases.	Cases.
Soap	26,683	24,836
Candles	4,967	5,220
Biscuits	1,754	2,258

The working up of the raw materials produced in the State is making great progress and has already been noticed.

Exports : Cattle trade.

The cattle "saffra," or harvest, of 1892 was an exceedingly rich one, and the number of beasts killed was much above the average, as were also the different kinds of cattle produce exported.

The beasts were well-grown and in good condition, and the hides and meat consequently of excellent quality.

For the "saffra" of 1893 the drought all over this State and the Estado Oriental has acted very deleteriously, and the cattle have come in very slowly and in wretched condition, and, indeed, at one time it was thought there would be no "saffra" at all.

Returns.

The following table gives the result of the whole cattle industry of this State for the years 1891 and 1892, Pelotas supplying about three-fourths of the amount and the remainder being distributed between Paradao and Quarahy:—

Articles.		Exported to—	Quantity.	
			1891.	1892.
Cattle (killed)	Number	..	450,000	485,000
Salted hides	,,	Europe ..	484,796	490,343
Dry ,, ...	,,	,, ..	141,305	167,847
,, ,, ...	,,	United States	59,440	13,266
,, horse hides ..	,,	Europe ..	3,390	1,685
Horns	,,	,, ..	1,244,978	1,318,142
Horn-piths	,,	,, ..	883,489	531,944
Bones	,,	,, ..	1,348,486	834,526
Calcined bones.. ..	Tons ..	,, ..	302	..
Bone ash	,, ..	,, ..	5,356	4,559
Wool	Bales ..	Europe and United States	525	2,082
Hair	,, ..	Europe and United States	846	851
Tallow, hard	Kilos. ..	Europe and United States	1,981,468	2,620,852
,, soft	,, ..	Europe and United States	2,006,167	1,916,763
Xarque (dried beef) ..	,, ..	Brazil ..	26,846,430	28,753,812
Tongues	Barrels ..	,, ..	3,280	2,373

Prospects.

The year 1893, as above-mentioned, promised badly owing to the drought and political disturbances, but at the time of closing this report the cattle are coming in better than at the beginning of the year, and beasts and hides, although in poor condition, are selling at what may be called famine prices.

Present state of the trade.

The number of cattle killed to the middle of April is 265,000 against 320,200 in 1892, the salted hides exported in January and February amounted to 13,974; dry hides, 37,150; horns, 32,000; horn-piths, 75,440; bones, 102,500; bone ash, 1,574 tons. Bales of hair, 209, and of wool, 138.

Banking.

The year 1892 appears to have been favourable for banks engaged in legitimate business, but for those which are principally occupied in creating and backing up speculative companies it was, apparently, not so profitable.

The London and Brazilian Bank, Limited, paid a dividend to its shareholders of 14 per cent., while carrying over a sum of 150,000*l.* to a suspense account to be held against their capital abroad, which has fallen in value with the depreciation of the currency.

The old and respected Banco do Brazil has been forced to amalgamate with the younger and less experienced Banco da Republica, and is now called the Banco da Republica do Brazil.

It will have the sole right of issuing notes, the emission of which will be guaranteed by the Government in the event of the bank being unable to carry out its engagements.

The Banco da Provincia has carried on its transactions as steadily as usual throughout the year.

The Banco de Paris e Rio having done little or no business in this State since it started little more than a year ago, has decided to close its branch here as well as those at Santos and Lisbon.

This is probably preparatory to the final liquidation of the bank.

Finance.

The debt of the State which was 5,611,439$818 reis (280,572*l.*) on November 12, 1891, rose to 5,817,803$818 reis (290,890*l.*) on June 17, 1892, being an increase of 206,364 milreis (10,318*l.*) in little more than six months.

The actual debt on January 29, 1893, stood at 6,710,903$818 reis (335,545*l.*) or an increase of 893,100 milreis (44,655*l.*) during the six months.

The items of the debt are as follows :—

Securities for—	Amount.	
	Currency.	Sterling.
	Reis.	£
Quays of Rio Grande bearing 6 % interest ..	810,321$818	40,516
Exhibition, lands, &c. „ „ ..	341,000 000	17,050
Hospitals, &c., 6 %	52,000 000	2,600
São Gonçalo River (Pelotas Bar) bearing 6 % interest	474,900 000	23,750
Loan of 1881 bearing 6 %	1,757,500 000	87,875
Taquary Road bearing 5 %	126,000 000	6,300
Public security bearing 5 %	344,000 000	17,200
Total	3,905,721 818	195,291
Titles of credit bearing 6 % and 7 %	2,706,182 000	135,309
Total	6,611,903 818	330,600
Loans on deposit	99,000 000	4,945
Grand total	6,710,903 818	335,545

In addition to this the State Government has lately launched a conversion loan of 500,000 milreis (25,000*l.*).

With reference to the increase of the State debt during the last year, the "Diario do Rio Grande" remarks :—

"The finances of the State more than anything else feel the consequences of the continual agitation and the frequent transformations or changes of Government in Rio Grande.

"From November, 1891, to the end of January of the present year the public administration of Rio Grande has undertaken no improvements of great or small importance. The whole of this time has been employed in useless strife, in undoing what their opponents had done, in disorganising what they had organised, and reorganising afresh according to the ideas and passions of the new rulers.

"In fact, the true moral and material interests of Rio Grande have been entirely abandoned.

"In little more than a year the debt of the State has been increased by about 1,100,000 milreis (55,000*l.*), in addition to 800,000 milreis (40,000*l.*) spent out of the State coffers, without bringing to the State the very smallest benefit."

The State Budget for 1893 estimates the receipts at 5,165,000 milreis (258,250*l.*) and the expenditure at 5,016,000 milreis (250,800*l.*), leaving a surplus of 149,000 milreis (7,450*l.*). However, nothing of the sort is likely to be realised, and the increase of debt to the State in 1893 will be greater than ever.

Exchange.

Past. Before I proceed to report on the course of exchange during the year 1892 I will quote a very interesting article which has

been recently published in the "Rio News," on the "Par of Exchange," showing that during the present century exchange has touched 8*s.* 2*d.* and dropped to less than one-ninth that rate.

"During the colonial periods the remittances from Brazil to Portugal were made in gold ingots, or in "Johannes," a gold coin valued at 6$400 reis or 1*l.* 16*s.*, the par of exchange being 5*s.* 7½*d.* per milreis.

"This par of exchange was not changed until 1833.

"In 1808 the arrival of Don João VI effected a radical change in the social, political, and commercial life of the country. The ports of Brazil were then, for the first time, opened to foreign commerce, and many foreign merchants became resident here.

"The King and his Court were poor and greedy, and the revenues of the colony were far from sufficient for their demands. Recourse was first had to the coinage of silver, which yielded a profit of 20 per cent. To facilitate this, the Spanish dollars brought from Peru by the homeward bound treasure ships, were largely bought up at 800 reis "fortes" each, and then stamped 960 reis, the Spaniards accepting drafts on London, or gold, in payment.

"These transactions and the rapidly increasing import trade of the colony, drained the market of drafts and gold, and the rate of exchange soon ranged at 6*s.* 8*d.* to 7*s.*, going even to 8*s.* 2*d.* in 1812–13.

"It soon happened, however, that the 'weak' (fraca) silver coin exceeded local requirements, and, as gold was no longer current, it practically became legal tender, and was used in the purchase of exchange on foreign countries. The rate then began to fall until gold passed its par valuation and was quoted at a premium, the rate being about 4*s.* 7*d.*

"The merchants then remitted gold in preference to bills, and this soon exhausted the supply of gold coin which remained in the country.

"The Portuguese Court then had recourse to another expedient—the issue of paper currency—which in 1819 became redundant, and depreciated to such an extent that it was necessary to declare it a legal tender by law.

"This caused a further fall in exchange, which stood at 4*s.* at the time of Don João's departure from Brazil.

"During the first empire the situation became even worse, owing to unwise bank legislation and the creation of a foreign debt. In 1823 exchange had fallen to 3*s.* 11*d.* A foreign loan was then secured and the rate improved, the quotations ranging from 4*s.* 4*d.* to 4*s.* 8*d.* at the end of 1825 and the beginning of 1826. The rate then declined again under the influence of foreign and domestic troubles until in 1830 it reached the alarmingly low quotation of 1*s.* 6*d.* to 1*s.* 7*d.* This was a much greater fall than anything we have since experienced.

"Under the regency many reforms were instituted for the

improvement of the national finances, among which was the liquidation of the bankrupt bank of issue and the substitution of its depreciated notes by others issued by the Treasury. In 1833 the coinage was revised, and the 'par of exchange' was fixed at 3*s.* 7$\frac{1}{5}$*d.* per milreis. The current rates improved rapidly for a time, but failed to reach the par established.

"In 1846 another change was made in the monetary values of the country, and the present par rate of 2*s.* 3*d.* per milreis was established. Under this standard the lowest point reached, previous to the present crisis, was 1*s.* 2*d.* in 1868."

It appears, therefore, that the actual and the par value of Brazilian currency, notwithstanding the efforts to bolster it up, has always had a tendency to grow "small by degrees," and at present has got into a lower groove than ever, from which it will be difficult to raise it.

Present.

The year 1891 passed away leaving the value of the milreis at 1*s.* 0$\frac{3}{4}$*d.* The rate of exchange gradually fell from 1*s.* 0$\frac{1}{2}$*d.* at the beginning of January to 11$\frac{7}{8}$*d.* on February 15, 11$\frac{3}{4}$*d.* on March 15, 11$\frac{1}{2}$*d.* on April 15, 11$\frac{1}{8}$*d.* on May 15, 11*d.* on June 15, till it touched 10*d.* on August 1.

Then there was a slight improvement, the milreis on September 15 being worth 11$\frac{3}{4}$*d.*, and on October 8, after a rapid rise, it touched 1*s.* 4*d.* This, however, was the highest point reached during the year, and exchange fell in November to 1*s.* 1*d.*, and was, on the last day of 1892, 1*s.* 1$\frac{1}{2}$*d.*

The reasons for these fluctuations in exchange are many, and some of them hard to discover.

It appears, however, as if the financial crisis brought about by rash and incompetent financiers, the discredit, the overthrow of the monarchy brought on Brazil, and the spirit of speculative gambling which burst on the country two years ago, coupled with the enormous amount of paper money put in circulation and the decreased deposits of bullion in the Treasury vaults, had most naturally brought the value of the milreis down to its present figure.

A shilling seems to be its present natural "par value," and the fluctuations from this during the past year were due, when it fell, to political disturbances and new financial errors, and when it rose, especially when it rose to 1*s.* 4*d.*, to the influence of the splendid coffee and other crops.

Until Brazil has a steady, trustworthy financial policy, and the public know that the Government, having taken over the responsibility of the note issue, is in a position to carry out its responsibilities, it appears highly improbable that the average rate of exchange will rise much above 1*s.* per milreis.

Shipping and Navigation.

British shipping: Direct trade. Entered.

The number of British ships entered in the direct trade between Great Britain and this port in 1892 was 23, or two

below the previous year, while the direct tonnage entering the port was 6,998 tons, being 1,175 tons more than in 1891.

Cleared. The British vessels which cleared for the United Kingdom and British colonies was 26, or only half the number of the previous year, while the tonnage was 8,154 tons, or 2,615 tons below the previous year.

Of these vessels, eight, with a tonnage of 4,277, cleared for Barbados in ballast.

Carrying trade. Entered. The number of British vessels entered in the carrying trade was 77, against 97 in 1891.

The tonnage amounted to 51,191 register tons, or 8,713 tons more than in 1891.

Cleared. The vessels cleared in the carrying trade were 65, against 74 in the previous year. The tonnage was 49,085 register tons, or 12,810 tons more than in 1891.

Cargoes and whence derived. Of the British vessels entered in 1892 from foreign ports, 30 brought salt from Brazilian ports, 6 brought salt from Cadiz, 20 brought flour, kerosene, and timber from the United States, 12 (steamers) brought railway material from Antwerp, and 3 cargoes of general goods were brought from Hamburg.

Causes of increase and decrease. The falling off in the number of direct vessels from the United Kingdom was doubtless due to the increase in the average tonnage of the vessels, while the decrease in the vessels chartered for home and continental ports was probably due to the high freights obtained in the Brazilian coasting trade.

The above reasons also account for the changes in the carrying trade.

Increase in size of vessels. The average tonnage of the British vessels frequenting this port continues to increase, inasmuch as while it was 293 tons in 1890 and 385 tons in 1891, it rose to 605 tons in 1892.

Reason therefor. This is due to the large steamers which now call at this port and to the depth of water on the bar, which allows vessels of deeper draught than formerly to trade here, to the discomfiture of the smaller vessels of about 200 tons which once held the trade and monopolised the high freights which ruled.

Competition. Now freights are much lower, and promise in a short time to fall to a very low figure, for two German lines of steamers are competing with one another, and, not content with this, one of them, that of Messrs. A. C. Freitas and Co., has actually begun to call at Liverpool and enter into immediate competition with Messrs. Lamport and Holt's line, which has the principal trade to this part of Brazil.

The result of this competition has been to make the Liverpool firm put on a monthly direct steamer in self-defence, but the spoils of victory will no doubt remain to the shippers who take advantage of the ruinously low freights which will necessarily result from this competition.

Coasting trade. During the past year a great many British vessels, many of them Canadian, have been engaged in the coasting trade,

carrying xarque (dried beef) to Bahia and Pernambuco, and bringing back salt from Mossoro and Macao.

In 1894 to be confined to Brazilian flag only.

The low freights ruling in other parts of the world make it probable that they will continue in this trade for the present, but the Brazilian Government has once more determined to restrict the coasting trade to vessels under the national flag, which law will come into force about the middle of 1894.

The principal result of this "progressive order" of the Government will probably be that the Brazilian citizen, already impoverished by a depreciated currency and an enhanced customs tariff on articles which his country does not produce, will have to pay much more than before for the simple dried meat, farinha, and beans, the produce of his native land, which constitute his staple food, but which, owing to the enormous size of Brazil and its different climates, have to be transported many hundreds of miles by sea, and when the national flag enjoys the monopoly of this trade the freights will be far higher than at present in foreign vessels.

No wrecks or casualties.

During the year 1892 there were no wrecks or casualties of British vessels on the coast of this State.

However, in October a Brazilian steamer belonging to the "Lloyd Brazileiro" ran into the barque "Polly Woodside," of Belfast, lying alongside the railway quay in this port, and broke some of her plates, which were repaired here without docking the vessel.

Communication with the capital.

In 1892 Messrs. Lages Irmãos, who carry all the transhipment trade for Messrs. Lamport and Holt, put on two express passenger steamers in the direct route between Rio de Janeiro, Rio Grande, Pelotas, and Porto Alegre. The average run from Rio de Janeiro to the Rio Grande bar is only 50 hours, and it often happens now that mails are delivered here in 23 days from London. Two more of these vessels are being built and are to be subsidised by the Brazilian Government as armed cruisers.

The officers and engineers of these vessels are English, but have to naturalise themselves as Brazilian citizens and pass Brazilian examinations of competency.

And with Europe.

These express steamers carry nearly all the passengers homeward bound to Europe, who, on arrival at Rio de Janeiro, await the homeward bound vessels of various lines by which they wish to travel.

It is surely time that one of the larger mail steamer companies had the enterprise to arrange with Messrs. Lages Irmãos through passenger rates from the Rio Grande ports to Europe.

British seamen.

The number of seamen in British ships which visited this port in 1892 was 1,150, against 1,200 in 1891.

The boarding masters, notwithstanding my efforts to put a stop to their crimping and encouraging desertion, were busy as usual, finding it easy to ship their victims under other flags, so that in October I was obliged to seek other means to check them. This I did by getting my colleagues to agree to ship no

sailor on any ship who did not produce a certificate of discharge before a Consul at a port inside the bar. Each Consul had notices printed to this effect, which are given to every shipmaster when he enters the port to put up in his forecastle. The result after the short time the regulation has been in force is very satisfactory, the number of desertions and of sailors loafing about the quays being now very few.

In this way also the habit of certain shipmasters of giving a seaman a few milreis to clear out when he has a larger amount of wages due to him, with the excuse that the Consul will not sanction his discharge, is put a stop to. It is an offence against the Merchant Shipping Act, and, I am glad to say, but seldom practised, but no doubt cases did occur, although they were very difficult to discover or prove.

Charter parties and bills of lading.

The remarks in my report for 1891 (No. 1077, Annual Series) on the subject of charter parties and bills of lading appear to have had a good effect.

There has been less delay and fewer disputes, and the suggestions as to lay days beginning to count at São José do Norte have been in many cases adopted.

However, in a few instances where the charter party contained no clause that lay days should count 48 hours after notice had been given of arrival at São José do Norte, vessels had to incur the usual loss of time and money.

It becomes more necessary every year that the stipulations in charter parties and bills of lading should be clear and indisputable. The reason for this is that the deepened bar has opened these waters to competition, which with a shallow bar did not exist. In olden days there was a fleet of small vessels of about 250 tons, which held the trade of Rio Grande.

They obtained such high freights both in and out that time was of no consequence to them, and they could well afford a delay of several months, and never dreamt of enforcing the demurrage clause, even if there were one.

Now, however, all this is changed. Large sailing vessels come over the bar and compete with small ones, while steamers enter and compete with them all. Inward and outward freights have thus fallen, and vessels depend for much of their profits on quick despatches. The merchants, however, who also find more competition in trade than in days gone by, do not all realise the justice of enforcing the demurrage clause, and resent it, and not infrequently refuse to pay or offer to pay a reduced amount, knowing that, as remarked in my last year's report, the delay and expense of going to a court of justice to settle the dispute will delay the ship, and probably cost the owner, even if successful, more than he would otherwise have lost.

A very flagrant instance of this has recently taken place at Pelotas. A Norwegian vessel brought a cargo of salt for a leading Brazilian merchant there. The penalty for demurrage was 100 milreis (5*l.*) per day, and the merchant delayed the

vessel 25 days. When the master presented his bill for 2,500 milreis (125*l.*) demurrage, the merchant owned that it was quite correct and that the money was due, but said he should not pay it. He would pay 200 milreis (10*l.*), but for more than that sum the master would have to go to law.

Litigation.

I regret to report that two British shipmasters have lately been forced to experience all the inconveniences of seeking justice from the law courts, but I am confident that as they are fighting their cases through with perseverance and patience and undoubtedly have right on their side, the effect on those firms who try to impose and get on the weather side of British shipmasters will in the future be good.

If these cases are fully successful in favour of the shipmasters, no doubt merchants here will in the future be very careful how they try to impose on shipmasters, but at the same time it is evident that a change is taking place in the manner of conducting business in certain houses, and it will be the duty of shipowners to protect themselves against imposition and being forced to seek for justice in the courts of law, either by requiring their freights paid in advance, by inserting new clauses in the charter parties, or by taking other means, all of which, in the happy relations which have hitherto existed between merchant and master, have not been necessary.

General shipping.

The returns of Brazilian shipping entered from and cleared to Brazilian ports show a decided increase in steamers and a decrease in sailing vessels, accounted for, I presume, by the express boats which have been put on three times a month between Rio de Janeiro and the Rio Grande do Sul ports, and by the superior carrying powers of foreign sailing vessels over those of the Republic at the high freights ruling in the coasting trade.

Brazilian flag.

Of the Brazilian vessels which came over the bar, 179 were from Rio de Janeiro, 15 from Pernambuco, 5 from Santos, 5 from Mossoro, 3 from Macao, 5 from Bahia, while of those that sailed 185 went to Rio de Janeiro, 14 to Pernambuco, 4 to Santos, 1 to Maceio, 2 to São Francisco, 8 to Bahia, 1 to Paranagua, and 1 to Mossoro.

There was very little difference in the entrance and clearance of Brazilian vessels from and to foreign ports in the year under review and 1891.

All the merchant steamers both entered and cleared in the ordinary coast route which extends to Montevideo being 39 entered and 34 cleared, the other steamers included in the table being Government vessels. Besides these, 1 sailing vessel entered from Cadiz, 1 from Rosario, 1 from Buenos Ayres, 1 from Liverpool, and 1 from St. Vincent, while 2 cleared for Buenos Ayres.

Foreign flags.

Of the foreign vessels which entered from foreign ports, 35 came from Cadiz with salt, 6 from Oporto with wine and general goods, 5 from Richmond, Va., with flour, 25 from Hamburg, and 6 from London with general cargoes, 25 from New York

with flour, kerosene, and general goods, 19 from Liverpool with general goods and coal, 33 from Cardiff with coal, 11 from Montevideo, 4 from Baltimore with flour, 1 from Lisbon with salt and wine, 4 from Swansea with coal, 9 from Buenos Ayres and 2 from Genoa with general goods, 4 from Leith with coal, 8 from Rosario with wheat and railway sleepers (quebracho wood), 1 from Dundee with coal, besides several from other ports.

The large British steamers which brought railway material from Antwerp are all entered in the official returns as having entered from Rio de Janeiro, where they called to discharge part of their cargoes.

The foreign vessels which sailed over the bar to foreign ports were 75 to Falmouth (Channel, for orders) with hides, &c., 21 to Buenos Ayres (chiefly steamers in ballast), 19 to Barbados in ballast, 1 to Mexico, 1 to Valparaiso, 2 to St. Thomas, all in ballast, 1 to Oporto, 1 in ballast to Galveston, 7 to Liverpool with bone ash, 1 with hides to Hamburg, 10 to Montevideo, 3 to Richmond, and 5 to New York, all in ballast or with part cargoes of hides.

Of foreign vessels entered from Brazilian ports, 46 came from Macao and 18 from Mossoro with salt, 19 from Rio de Janeiro, being mostly British steamers with general cargoes or railway material from Europe, 8 from Santos, 2 from São Francisco, 6 each from Pernambuco and Bahia with sugar and rum (caxaça), and 6 from other ports.

Of those that cleared to Brazilian ports, 71 went to Pernambuco with dried beef, 11 to Rio de Janeiro with general goods, and most of the others in ballast to Paranagua, 10; Macao, 15; Santos, 12; Mossoro, 10; and to other ports 9.

Freights.

Freights homewards in 1892 were about the same as in the previous year, and the uncertainty of the freight market in Europe, and the good prices obtainable in the Brazilian coasting trade, kept many British vessels out in these waters.

Salted hides. At the beginning of the year, for salted hides to the Channel, 1*l.* 12*s.* 6*d.* was paid, rising in April to 1*l.* 15*s.*, in May to 1*l.* 17*s.* 6*d.*, and in June to 2*l.* per ton. In July these freights fell to 1*l.* 17*s.* 6*d.*, in August to 1*l.* 16*s.* 6*d.*, and towards the end of the year to 1*l.* 10*s.*

Bone ash. Freights for bone ash to the River Mersey were somewhat higher than in 1891, and opened at 19*s.*, and remained much the same until October, when as much as 1*l.* 6*s.* was paid.

Jerked beef. The rates of freight for jerked beef (xarque) to Pernambuco and Bahia were much higher in 1892 than in the previous year. Opening in January with 450 reis (5½*d.*) the 15 kilos. (32 lbs.), those rose in March to 600 reis (7¼*d.*), in April to 650 reis (7¾*d.*), in May to 700 reis (8½*d.*), in June and July to 750 reis

(9*d.*), while in September and October they fell to 520 reis (6¼*d.*).

Salt. Charters for salt from Macao and Mossoro opened in January with 750 reis (9*d.*) the alqueira (about a bushel), rising in April to 780 reis (9¼*d.*), in May to 800 reis (9¾*d.*), in June and July to 850 reis (10¼*d.*), while in September 900 reis (10¾*d.*) was obtained, falling the following month to 800 reis (9¾*d.*).

Flour and wheat. The freight on flour from Richmond, Va., in January was 1 dol. 30 c. per barrel, but throughout the remainder of the year not more than 1 dol. was obtainable, while the rates paid for wheat from Rosario were 16*s.* a ton throughout the year, except in April, when 1*l.* was obtained.

Payments of freight. There are many things which are ruled by what is called the "custom of the port," and there is no objection to this so long as the custom is just, but when it is otherwise the custom should be changed.

It has been for many years the custom of this port for merchants to pay balance freights at an eighth of a penny per milreis above the bank rate of exchange; consequently, in remitting the money home, the shipmaster loses, in every 100 milreis, the sum of 1*s.* 0½*d.*, or supposing the exchange to be at 1*s.*, and his balance freight 100*l.*, he would only receive 1,979 milreis (98*l.* 19*s.*) instead of 2,000 milreis (100*l.*), and would lose 81 milreis (1*l.* 1*s.*) in every 100*l.*

This is certainly not as it should be, and although, most likely, as shipowners submit to it, they take account of it in the rate of freight; still it would be much more satisfactory, and much discontent and dispute would be avoided, if all balance freights were paid in sterling or in bank drafts on London at the current rate of exchange.

Port charges. The expenses of vessels trading to Rio Grande amounted to about 5 milreis per register ton, while those which discharge at Rio Grande, and load an outward cargo at Pelotas, pay about 6 milreis per register ton.

The following estimate for a vessel of 200 tons will give a more accurate idea of the port charges.

The charge for despatching will now be about 25 per cent. higher, as the work which has hitherto been done by a custom-house despatcher only will in future be also done by one in the Meza da Rendas.

I.—Port Charges at Rio Grande do Sul for a Vessel of 200 Tons Register, Coals in and Salted Hides out, Discharging and Loading at Rio Grande.

Description.	Amount.	
	Reis.	Milreis.
Towage in—200 tons—1$200 reis per ton (if more than 200 tons, 600 reis per ton on the excess) ..	..	240
Pilotage—		
Bar to Rio Grande	..	32
Rio Grande to Bar		32
Shifting	..	10
Anchor boats	..	30
Gratuity to guard	..	10
Custom-house charges—		
Light dues, 40 milreis and 10 % additional ..	44$000	
Bar pilotage, 200 tons at 500 reis	100 000	
Stamps on amount of outward freight	17 700	
Quay dues, 200 tons at 15 reis = 30 milreis once a year and 15 milreis for every voyage	45 000	
Custom-house clearance pass	6 800	
Meza da Rendas pass	2 000	
Hospital dues, 2 milreis per mast and 640 reis per man	7 200	
Petties..	2 300	
		225
Despatcher clearing in and out	..	32
Stevedores	..	200
Half towage out, 200 tons at 500 reis (250 reis on excess tonnage over 200)	..	100
Towage, Rio Grande to buoy	..	70
Translation of manifest and store list..	..	35
Total	..	1,026
Equiv. in sterling	..	51*l.* 6*s.*

II.—Discharging at Rio Grande, Loading at Pelotas, and Completing at São José do Norte.

Description.	Amount.	
	Reis.	Milreis.
Pilotage—Bar to Rio Grande	..	32
Towage inwards	..	240
Anchor boats—Rio Grande	..	20
Gratuity to guard	..	10
Custom-house charges—Rio Grande	..	197
Despatcher clearing in and to Pelotas	..	32
Stevedores	..	200
Half towage out	..	100
Towage—Rio Grande to buoy	..	75
Translation of manifest and store list	..	35
Custom-house charges—Pelotas—		
Pelotas Bar dues, 134 reis per ton	26$800	
Stamps on amount of outward freight	17 700	
Hospital dues	7 200	
Custom-house clearance pass	6 800	
Meza da Rendas pass	2 000	
Police pass	1 200	
Petties	2 300	
		64
Despatcher clearing out	..	16
Pilotage—		
Rio Grande to Pelotas	..	50
Pelotas to São José and to Bar	..	50
Anchor boats—Pelotas	..	20
Despatcher's fees, &c., at São José do Norte	..	16
Petties	..	15
Total	..	1,177
Equiv. in sterling	..	58*l.* 17*s.*

Quarantine.

It is notorious that countries which impose the most vigorous and troublesome quarantine regulations are, as a rule, those which pay the least attention to their internal sanitary arrangements.

No regulations could have been more effectual and have caused less discomfort, delay, and inconvenience to passengers and commerce than those of the United Kingdom against the cholera in 1892, and the result, from a sanitary point of view, was perfect.

Regulations for protecting the public health are no doubt to be commended, that is to say, if they are necessary, and, therefore, even if they impose expense, delay, and discomfort, out of proportion to the amount of good they do, it is inadvisable to complain against their infliction; still it is a pity that foreign Governments do not recognise that quarantine if a necessary evil and a burden, should, therefore, be made as light as possible.

Manners of enforcing quarantine.

Now, in this State, quarantine is imposed in two ways, as follows, with an absurd amount of inconsistency.

When yellow fever is prevalent, or raging in the Port of Santos, passenger steamers coming from thence, a passage, including calling at intermediate ports, of about four days, are placed under observation at the bar until a period of 10 days from their leaving Santos has elapsed, and if there be yellow fever on board, the patients are removed to a lazaretto, and the vessel is disinfected.

This imposes some delay, but no other evils on the passengers.

On the other hand, however, when there is cholera in Europe, vessels proceeding to any port in Brazil from ports suspected to be infected with cholera, have to proceed to Ilha Grande, a few miles south of Rio de Janeiro, and obtain pratique there before proceeding to their destination. It is hardly necessary to remark, that to have only this one quarantine station on a coast line of some 3,000 miles, is not sufficient, even if vessels proceed there direct, but to send vessels there on arrival at their destination, without notice having been given them at the Brazilian Consulate at the port of departure, imposes great unnecessary expense and delay. This happened in several cases in 1892 to British vessels.

Instances of onerous quarantine.

The "Alice M. Craig," from Antwerp, received no official intimation to proceed to Ilha Grande, but was sent there on arrival at this bar, although she had a clean bill of health.

The "Watchman," from New York, also with a clean bill of health, was treated in the same manner, and the following dates will show the delay she was put to. She arrived at the Rio Grande Bar on December 7, and had to stand off, as no notice was taken of her. On December 13 a boat went off to her and told her to go Ilha Grande. She arrived at Ilha Grande on December 31, was fumigated, and allowed to leave on January 4. She did not arrive back from Ilha Grande, which is 700 miles north-west of this bar, until January 12, the compliance with quarantine regulations having cost a whole month's delay. What would be thought if a vessel were to arrive from Brazil at Southampton, with a clean bill of health, and it were to receive orders to proceed to the Orkney Isles to obtain pratique?

Another anomaly was, that two British vessels arrived together, the one from London, the other from Liverpool.

The vessel from London was allowed to enter at once, while the one from Liverpool was ordered to Ilha Grande.

A similar, but more absurd case, happened to two vessels which arrived here for the Commissão de la Barra from Kiel, having called to coal at St. Vincent. The master of the first, on being asked where he was from, answered "Kiel," and was promptly ordered to Ilha Grande; the master of the other, on being asked the same question, replied, "St. Vincent," and was allowed to cross the bar at once.

A very valuable aid to the efficiency and ulterior results of quarantine and other sanitary precautions, would be the

removal of the high import duties on all sorts of disinfectants which, not being produced in the country, are so expensive as to be entirely beyond the means of the poorer people, among whom their use ought to be encouraged to the utmost.

Public Works.

State of the Bar.

During the year 1892 the Rio Grande Bar was in a more favourable condition than ever, and no vessels were kept waiting outside or inside for want of water, although many of them were laden as deep as 14 feet and 15 feet.

The lowest soundings on the bar, in the latter half of 1892, were 12 feet 5 inches on July 1 and 25, August 14, and December 18, the other soundings being 13 feet 2 inches on 5 days, 13 feet 10 inches on 32 days, and 14 feet 6 inches on 39 days, 15 feet 3 inches on 28 days, 16 feet on 56 days, and 16 feet 8 inches on 3 days.

The first three months of 1893 have, however, beaten this record, the lowest soundings being 13 feet 10 inches on 9 days, and the others, 14 feet 6 inches on 19 days, 15 feet 3 inches on 27 days, 16 feet on 33 days, and 16 feet 8 inches on 7 days.

Thus, it is evident that the bar improves steadily from year to year, and were it not for the fear of its silting up and going back to its old state, no works for its improvement would be necessary.

The following table shows the daily soundings on the bar from 1889 to April 30, 1893, and the improvement that has taken place is evident at a glance:—

Palms.	Feet in.	1889.	1890.	1891.	1892.	1893, to April 30.
25	18 2	...	...	1	...	...
24	17 6	...	...	15	2	...
23	16 8	...	...	16	3	7
22	16 0	...	...	49	87	36
21	15 3	...	...	28	54	29
20	14 6	2	1	71	105	23
19	13 10	37	16	53	53	11
18	13 2	84	58	49	19	...
17	12 4	73	107	20	5	...
16	11 7	60	84	14	1	...
15	11 0	37	36	8	...	...
14	10 2	16	20	2	...	...
13	9 6	9	8	...	...	...
12	8 9	2	...	...	...	...
11	8 0	2	...	...	...	...

Bar improvement works.

No conclusion was come to during 1892 between the Government and the "Société Franco-Brésilienne de travaux publics," with regard to the bar works. Negotiations were carried on with a view to the Government accepting some modifications in the construction suggested by the engineers, and to the payment for work done at a rate of exchange which would enable the company to carry out their contract.

At the time of finishing this report the Government have agreed to the modifications, but the question of exchange, which was to have been settled in March, is not yet concluded.

To the outside world it may appear a small thing whether the Rio Grande bar is opened or not, but to the State it is of the greatest importance.

On reference to a map it will be seen that it is the only way to the ocean for the whole eastern portion of the State, from Jaguarão on the Uruguay frontier, to Taquary and Porto Alegre in the north.

A closed or shallow bar means small ships, uncertain despatch, great delays, high insurance, and enormous freights.

An open bar means large vessels, competition between sail and steam, regular despatch, no delays, low insurance, and small freights.

The contract between the Government and the company was signed in 1890, and work was commenced in 1891; but owing to the depreciation in currency, the company found they could not carry out the contract without ruin, unless a new agreement were made as to the rate of exchange at which payment should be made. The Government wished to hold the company to carry out their contract, but eventually agreed to arbitration. The arbitrators could not agree, and finally an umpire was appointed.

His decision was given on a certain day; it was glanced over by several eminent persons, and said to be in favour of the company. Dr. Julio de Castilhos, the actual President of this State, read it in Rio, and coming home stated openly that the company had gained the day and the works would be continued.

It was nothing of the sort; no one had read the umpire's document and decision to the end. He had apparently summed up in favour of the company, and given judgment against them.

Then there arose an outcry all over the State, and the Government once more stated its desire that the works should go on. Hence, the renewed negotiations, by which the present plans are approved, and the question of payment about to be settled.

Improvements inside the bar.

Of late years, the bar at the mouth of the Rio Grande has been the least of the obstacles to navigation in these waters, for while ships drawing 15 feet and 16 feet can, as a rule, cross the bar, São José do Norte is the only place they can get to without lightening.

The port of Rio Grande will not allow of vessels drawing over 12 feet entering, while vessels bound to Pelotas must not draw more than 10 feet, and those bound to Porto Alegre should not attempt it on a deeper draught than 8 feet 6 inches, or they may have to spend weeks in the Cangussu Channel at the entrance to Lake Patos, or on the Chrystal Bank, within sight of Porto Alegre.

In the River Guahyba, running into Lake Patos, and in the Rio Grande, which runs out of it, as well as in the lake itself, there are several shallows which ships must cross, and

which, by judicious dredging, might be kept sufficiently clear for vessels of deep draught to pass. The "Commissão de la Barra," the Government Department which is responsible for the inland waters of eastern Rio Grande, have not hitherto been very energetic in improving the waterways under their charge, nor have they been very judicious in the little dredging they have undertaken.

The Cangussa Channel in Lake Patos is a tortuous natural channel, with usually 8½ feet of water in it. This might, with the dredges the Commissão possess, be deepened without much difficulty to 10 feet or more; but instead of this, for many years past, the dredges have been at work cutting a new straight channel along the western shore of the lake, which I believe has closed up as fast as it was made, and the dredges are now imprisoned in the useless channel they have attempted to create.

During the past year the Commissão have purchased several dredgers and other machines, and if the work of clearing out the harbours and deepening the shallows are proceeded with with energy and good management, it is possible that in a very few years the navigation of these inner waters will be so improved that deeply laden vessels will be able to proceed direct to Pelotas and Porto Alegre, while there is no reason why light vessels should not be able to navigate Lake Merim as far as Jaguarão on the frontier of the Republic of Uruguay.

Towards the end of the year the Commissão entered into a contract with the Southern Brazilian Railway to bring down 60,000 tons of stone, much of which has already been transported to the western bank of the river, opposite the lighthouse, and it is intended to face that bank with stone, as the deep channel of the river runs close in shore there, and eats away the bank to such an extent that the sand which is carried away adds very considerably to the bar at the mouth of the river, and it is believed that when this stone facing is carried out it will have an important influence on the improvement of the bar.

It has been suggested as one of the reasons why the bar has continued in a favourable condition so long, that the ever-increasing number of steamers, the tugs crossing and re-crossing, stir up a considerable amount of sand at the entrance, which, there being little or no inward tide, is carried out to sea, and I am inclined to believe that this is so.

Railways.

Government lines.

There has been no increase in the length of railways opened in 1892, but the works on the Government lines have been actively carried out, and vast quantities of ironwork, rails, sleepers, &c., have been transported into the interior, and locomotives and trucks are in readiness to work the lines when the permanent way from Bagé and Cacequy to Uruguayana is finished.

The traffic and working of the Southern Brazilian-Rio Grande do Sul Railway was satisfactory in 1892. There were no extensive floods, and the line was in no way damaged or traffic stopped, except when it was cut for a day or two during the Revolution in June. Southern Brazilian Railway.

A new station for goods was opened on the west side of the Pirating Bridge, and new sidings and wharf lines were laid down at the Rio Grande Maritime Station, in order to carry 50,000 tons of stone for the Commissão de la Barra to the water's edge.

The number of passengers carried over the line increased greatly, and the goods traffic also showed an increase greater than in any previous year, as will be seen from the following table, showing the traffic since the opening of the line :— Traffic returns.

Year.	Passengers.	Goods.
	Number.	Metric tons.
1885	86,149	16,093
1886	105,465	20,735
1887	95,659	21,736
1888	85,166	20,419
1889	70,444	21,139
1890	75,610	30,431
1891	86,853	33,360
1892	117,295	46,585

The receipts amounted to 822,327 milreis (41,116*l.*), being an increase of 138,396 milreis (6,919*l.*) over the previous year, while the expenses were 831,868 milreis (41,593*l.*), being an increase of 117,371 milreis (5,869*l.*) over the previous year.

This last amount includes the enormous sum of 132,713 milreis (6,636*l.*) loss by exchange, being 84,248 milreis (4,212*l.*) more under this heading than in 1891.

The receipts for special trains were nearly double those for 1891, being 3,514 milreis (176*l.*) against 1,380 milreis (69*l.*), while the transport on account of the Government, which was 74,377 milreis (3,719*l.*) in 1891, increased to 118,924 milreis (5,946*l.*) in 1892.

Thus, unless the revolutionary atmosphere of this State interferes with the ordinary passenger and goods traffic, which figures apparently show not to have been the case in 1892, the railway, as mentioned in my last report, has to thank the now chronic revolutionary state of this part of Brazil for much of its receipts.

However this is only apparently so, for, doubtless, were the State free from political disorder and the country prosperous, the increased receipts from passengers and goods would more than outweigh the diminished transport on account of Government, consequent on the swords being beat into ploughshares.

A very satisfactory decrease in expenditure is that under the heading of Permanent Way, which was 326,632 milreis

(16,331*l.*) in 1891, and only 284,883 milreis (14,244*l.*) in 1892. As before mentioned, there were few floods and other occurrences to injure the line, but I believe this decrease in expenditure on the permanent way will be continuous, owing to the extensive and efficient way all repairs and improvements have been carried out.

Receipts and expenses.

The following table of receipts and expenses since the opening of the railway will give a good idea of the progress of business:—

Year.	Amount.		
	Receipts.	Expenses.	Surplus + or Deficit −.
	Milreis.	Milreis.	Milreis.
1885	599,430	560,606	+ 38,824
1886	659,290	612,728	+ 46,562
1887	639,418	595,242	+ 44,176
1888	535,404	609,789	− 74,385
1889	555,711	681,025	− 125,314
1890	620,153	621,918	− 1,765
1891	683,931	714,497	− 30,566
1892	822,327	831,868	− 9,541

To the depreciation of Brazilian currency the deficits of the last three years are entirely due, for had there been no loss by exchange the results of each year would have been as follows:—

Year.	Increase.	Decrease.
	Milreis.	Milreis.
1885	60,741	..
1886	68,693	..
1887	70,704	..
1888	..	66,826
1889	..	122,487
1890	18,633	..
1891	17,899	..
1892	123,172	..

It is evident, therefore, that the year 1892 shows the most satisfactory working of the railway since it was opened, and I understand that the opening months of 1893 fully maintained this position.

Brazil Great Southern Railway.

Up to the time of closing this report, I have been unable to obtain any information with regard to the working of this line during the past year.

Porto Alegre-Novo Hamburgo Railway.

In October last I made several journeys over the neat little railway which connects Porto Alegre with the German colonies.

The working of the line appears to be excellent and everything belonging to it is neat and trim, the permanent way and rolling stock is kept in apple-pie order, and yet one can see that the watchword in working is "economy."

The receipts for 1892 show an increase of 19½ per cent. over 1891. From passengers there was an increase of 20 per cent., and from merchandise, 18¾ per cent. These increases, which were steady throughout the year, were for the most part the result of increased activity.

Prices of colonial produce ruled high, and, although the drought that prevailed at the beginning of the summer was prejudicial to the crops, the high prices obtained for the harvest left the colonial districts in a prosperous condition.

The interruption of navigation on the Rio Sinos in December, through lowness of water, had the effect of diverting to the railway a certain amount of traffic.

Building operations continued in progress in all parts of Porto Alegre, and the carriage of building material formed an important item in the year's receipts.

Expenditure.

The expenditure for 1892 shows an increase of 10⅓ per cent., chiefly due to the increased age of the railway necessitating renewals and repairs in all departments, to the rise in cost of labour and stores, to the effect of the low state of exchange and other causes.

Traffic returns.

The following are the figures for 1891 and 1892:—

		1892.	1891.
Receipts per kilometre	Value, reis	4,950$292	4,143$661
,, mile	,,	7,957 479	6,660 838
Miles run	Number	46,343	56,214
Passengers carried	,,	71,851	65,377
Merchandise	Tons	21,246	18,733
Miles open	Number	26¾	..

Remarks on prosperity of colonies.

The foregoing information, which has been given me by Mr. William Tweedie, M.I.C.E., the Superintendent of the line, is further evidence of the advantages which the foreign colonial districts of this State are reaping at the expense of the Brazilian population who are engaged in party strife, and, even if not in the field themselves, are afraid to plough or sow lest the harvest should be reaped and carried off by troops whether friends or foes. Porto Alegre, the capital of the State, built, so to speak, at the entrance to the colonial districts, although subject to revolutionary disorders, being the market and port of the colonies, shares with them their advantages and receives in its banks and on loans the savings of the colonists, which are invested in building houses and factories, and thus the city is growing and prospering while the rest of the State is being ruined by political dissensions. Colonists who have been successful, move to the capital and settle there, and the German

and Italian population of Porto Alegre is no doubt increasing much faster than the Brazilian.

The enhanced protective duties and the weak state of exchange have fostered the establisment of a great number of factories which have sprung up during the last two years and which will be a permanent source of prosperity to the capital, the importance of which is growing every day.

Postal arrangements.

The receipts of the Rio Grande Post Office are steadily on the increase, having been 35,834 milreis (1,792*l.*) in 1892 against 32,037 milreis (1,602*l.*) in 1891.

The want of a parcel post from Europe is badly felt in this State, and, if the Post Office cannot establish it, some of the steamship companies having through transit might work it very profitably at a reasonable charge per lb. The Royal Mail steamers carry small parcels at a uniform rate of 10*s.*, but this is too high for parcels under 10 lbs. weight, and, as they are only delivered at Rio de Janeiro, and there is delay, difficulty and expense in getting the parcels through the Rio de Janeiro custom-house and forwarded, the advantages of the system to ports where the Royal Mail steamers do not call are lost.

Telegraphs.

The Government telegraph lines and stations have not been increased since 1891.

The Western and Brazilian Telegraph Company have laid down a second cable, which relieves their first line and expedites the work over their system.

Tramways.

The tramway line connecting the town of Pelotas with its port has been reconstructed and the cars improved.

The Rio Grande Tramway Company has been absorbed by the Sea Coast Railway Company, and both are now worked together.

The Porto Alegre tramways are being extended through the principal street of the town to the Arraial de S. Manoel.

Electric and gas lighting.

The use of the electric light has made considerable progress in Porto Alegre, but in the other towns the Company "Fiat Lux," which has the concession, has not felt justified in commencing operations. This is the more surprising, as the gas which is used in the towns is very expensive and of poor quality.

Kerosene oil lamps are much cheaper and give a better and stronger light than the gas.

This is the time, therefore, when exchange is low and coal and kerosene at high price, that the Electric Light Company should start work. However, so long as the municipal contracts with the Gas Company for lighting the towns are in existence—another 12 years, I believe,—it is improbable that much progress will be made with the electric light.

Miscellaneous.

Holidays.

The number of holidays in the year is a serious obstacle to commerce in a country where so little work is done. The Republican

national holidays are 12 in number, viz.:—On January 1, in honour of Universal Fraternity; on February 24, to celebrate the approval of the Brazilian Federal Constitution; on April 21, in honour of the forerunners of Brazilian Independence; on May 3, to celebrate the discovery of Brazil; on May 13, in honour of Brazilian fraternity and the abolition of slavery; on July 14 is celebrated the taking of the Bastille; the 7th September celebrates Brazilian Independence; October 12, the discovery of America; November 2, All Souls' Day; and November 15, the Patria Braziliana or upheaval of the Republic.

Maunday Thursday and Good Friday are also national Republican holidays, while a still larger number of days are made holidays by custom or the Church and are usually recognised by the custom-house, public offices, and banks closing at 1 o'clock, so that altogether there are nearly 30 days in the year besides Sundays when business is either wholly or partially suspended.

On the other hand, neither holidays or Sundays are observed by many of the shopkeepers or the labouring classes, carters, porters, boatmen, carpenters, painters, &c., who work all the year round the same, and doubtless the want of one day of rest a week accounts for their getting through so little work in a day's labour.

Public Health.

The health of Rio Grande do Sul during 1892 was not very satisfactory.

There is always a certain amount of small-pox prevalent every winter, which is chiefly confined to the black population, but during the year under review it extended to the white population, and although it diminished in August instead of, as usual, disappearing, it continued in the town to the end of the year.

In the 12 months 160 persons died of this disease, being equal to 8 per 1,000 of the population.

The sanitary condition of the town of Rio Grande do Sul owes much to Nature, for it is built entirely on sand, and all the impurities get washed beneath the surface whenever it rains, the ground being almost a dead level.

Man, on the other hand, has done little or nothing to improve the sanitary conditions of the town, although I believe it compares very favourably with other ports and towns in Brazil.

There are no drains, and the slops and refuse from the houses are often, in spite of regulations, thrown broadcast into the street.

It is true there are companies which carry away night soil and refuse waters at a monthly charge, but their employ is not, as it should be, compulsory, and I doubt much if anything whatever is carried away from the poorer houses until after it

has been thrown into the street to await the passing of a scavenging cart.

Rio Grande being entirely flat and in no point more than 6 feet above sea level, drainage without pumping would be difficult, and after heavy rain the streets, especially away from the centre of the town, where they are not paved, have the appearance of canals, and the water lies there until it is evaporated by the sun or percolates into the sand, becoming in the meantime ploughed up by carts and mules into smelling putrid liquid, full of offal and garbage, little calculated to improve the health of the city.

Water supply.

Rio Grande is very fairly well supplied with water, which is laid on to most houses, but, at times, when there is little rain, the water supply fails, and this was the case during the final quarter of 1892. The supply became so limited and the pressure in the mains so slight that water had to be bought elsewhere, and the water-cartmen made a regular harvest by bringing in water from wells outside the town.

Death rate.

This drought doubtless did not tend to improve the health of the town, the death rate of which for the last six months of 1892 was 536. Now, taking the population of Rio Grande at 20,000, a very liberal estimate, this gives a death rate of 53·6 per 1,000 per annum. Statistics, however, show that two-thirds of the deaths in Rio Grande are those of infants under 7 years old, and, therefore, the death rate for 1892 would be—adults, 17·8 per 1,000, and infants under 7 years old 35·8 per 1,000 of population.

Want of sanitary precautions by municipal officers.

This high death-rate would no doubt decrease if the Municipal Chamber were to keep the streets and public places in a clean and tidy condition, and insist on the houses and their back premises being so also.

There are at least four public praças or squares in this city, and one of them is a very pretty garden, well cared for and properly looked after. The other squares, however, are a disgrace to any town, and are in much the same condition as Leicester Square used to be in days gone by.

No lack of funds.

It cannot be for want of funds that the town is so uncared for, as the Government have passed over to the Municipality the city tithes, which produce a good income, the Municipal income in 1892 being 274,580 milreis (13,729*l.*), in addition to

Municipal Loan.

which the Municipal Council have inaugurated a loan of 1,000,000 milreis in 200,000 policies of 5 milreis each, so as to be within reach of the poorest purse. The object of this loan is stated to be "the consolidation of the various Municipal debts, amounting to 437,000 milreis (21,850*l.*), and which pay interest at 8½ per cent. and 9 per cent., into one sole emission on terms more adequate to the credit which the Municipality enjoys, the surplus to be expended in sanitary works and the improvement of the city."

Another object of the Council is to give the people an alternative to the numerous lotteries which actually consume so great a proportion of the savings of the working classes.

In order, therefore, to offer to the public a loan sufficiently attractive, and to compete with the said lotteries, it has been found necessary to adopt some of their characteristics, preserving as much as possible the element of luck without losing the original capital.

It has thus been determined to suppress completely any fixed interest payable periodically in the usual way, and to substitute the choice, by monthly drawings, of the policies, which shall be redeemed, distributing among them all the accumulated interest in the form of prizes.

Free clinical institution.

In connection wtth public health I may conclude by mentioning an admirable institution which has just been inaugurated by seven medical men of this city.

They have opened an office in the centre of the town which is open from 9 A.M. to 4 P.M., and each of these doctors attends daily for one hour in order to give gratuitously to the poor the advice and medicines they may require. If they can also instil into them the necessity of domestic cleanliness, and the Municipal authorities will aid in requiring it of them, the success of this philanthropic institution should be great.

Immigration.

It is only natural, considering all that has been written about immigration to Brazil, that there should have been a falling off in the number of immigrants in 1892. This is, at any rate, the case with this State, although it may very well be due also to the disturbed political condition of Rio Grande do Sul during the past 18 months.

I am glad to be able to state that British emigrants have entirely ceased to come here, and I have had no appeals of distress from that wretched class during the past year.

According to the official returns of 1891 the number of immigrants into this State was 24,325, whereas in 1892 there came only 8,629, or a reduction of 64 per cent.

Of this number 87 went to Pelotas, 8,005 to Porto Alegre, while 534 remained at Rio Grande, but probably proceeded elsewhere later on.

A great deal has been written in the press about Chinese immigration, and the Government has taken measures to encourage the introduction of labour from the Celestial Empire, but I doubt much whether the attempt will be successful. Chinamen only care to go where they can live after their own customs and make and save money. Living here would be too expensive for them, rice being almost a luxury, and if they were to succeed they would very soon be looked upon as a curse, as they would oust both black and white from the labour market, and probably, if not checked, would sooner or later take possession of the country.

A British shipmaster lately asked his Chinese cabin boy if he would like to remain in Brazil, and the reply was, "No, everything was too dear."

There appears to have been a great falling off in the number of immigrants to the Republic in 1892 the number

arriving at Rio de Janeiro being only 54,509 against 218,958 in the previous year.

The number of each nationality were:—

Nationality.	Number of Immigrants.
Italians	30,248
Portuguese	14,160
Spaniards	7,470
Austrians	406
French	502
Germans	749
Others	974

The number sent to the following States was:—

States.	Number of Immigrants.
São Paulo	25,684
Rio Grande do Sul	7,538
Parana	846
Santa Catharina	2,019
Minas Geraes	3,477
Rio de Janeiro, State	10,163
,, city	2,526
Espirito Santo	843
Other	1,413

The ports these immigrants were shipped from were:—

Ports.	Number of Immigrants.
Genoa	28,319
Naples	1,157
Lisbon	9,004
Hamburg	2,844
Antwerp	106
Barcelona	884
Marseilles	902
Vigo	1,877
Bremen	500
Bordeaux	390
River Plate	1,391
Havre	149
Other	9,546

The Federal Government introduced 38,820, while the remaining 15,689 immigrated spontaneously.

Domestic servants.

The abolition of slavery in Brazil has certainly had the effect of making it an impossibility to get decent domestic

servants. There is not 1 per cent. of the males or females who will sleep in the house, but they insist on leaving the house at latest by 7 o'clock and do not return before 7 or 8 in the morning.

For this reason some houses have a pane of glass in one of the windows taken out, through which the baker and milkman pass their goods on their early morning rounds, so as not to necessitate one of the family getting up to open the door.

It is quite common for a good cook to insist on the family dining not later than 5 o'clock in order that he or she may be able to put the kitchen in order and go home early.

If these or any other demands are not granted the servant leaves without any notice, there being apparently no law of master and servant in Brazil.

Their wages range from 2*l.* to 3*l.* a month with food, and they, as a rule, purloin enough every night to provide a supper at home.

These servants are all negroes or mulattos and nearly all freed slaves, but even with the above-mentioned drawbacks they are, as a rule, preferred to white servants who, in this country, have nearly always worse failings than the blacks.

Some of the Italian immigrants become domestic servants, and, I believe, give satisfaction in Brazilian families, and in Porto Alegre and other towns many German colonists are in domestic service, but they are even more independent than their black brethren.

One reason for the scarcity of domestic servants is no doubt to be found in the number of factories which have lately sprung up, where fair needlewomen or handy workers can get treble the wages of a domestic servant with shorter hours of labour.

Tables of Returns of Shipping Entered and Cleared over the Rio Grande Bar in the Years 1891-92.

Table 1.—Brazilian Vessels Entered from and Cleared to Brazilian Ports.

Entered.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	165	43	208	102,706	6,249
1892	187	25	212	133,408	7,504

Cleared.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	139	39	178	90,329	5,100
1892	186	30	216	132,079	7,261

Table 2.—Brazilian Vessels Entered from and Cleared to Foreign Ports.

Entered.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	38	2	40	21,767	1,581
1892	40	5	45	32,643	1,746

Cleared.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	37	...	37	21,697	1,544
1892	37	2	39	32,651	1,725

Table 3.—Foreign Vessels Entered from and Cleared to Foreign Ports.

Entered.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	17	190	207	41,876	1,496
1891	18	188	206	47,640	1,469

Cleared.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	10	157	167	35,012	1,290
1892	24	133	157	47,113	1,326

The different nationalities of these vessels were—

Entered.

Year.	British.	German.	Dutch.	Danish.	Oriental.	Argentine.	French.	Swedish.	Norwegian.	Portuguese.	United States.	Italian.	Spanish.	Austrian.	Paraguayan.
1891 ...	71	30	13	20	4	11	6	15	25	3	2	4	1	2	...
1892 ...	56	33	22	26	9	3	1	10	24	8	4	6	2	1	1

Cleared.

Year.	British.	German.	Dutch.	Danish.	Oriental.	Argentine.	French.	Swedish.	Norwegian.	Portuguese.	United States.	Italian.	Spanish.	Austrian.
1891	67	20	16	13	...	2	5	11	23	3	1	3	1	2
1892	51	23	18	20	8	3	...	8	18	1	1	5	...	1

Table 4.—Foreign Vessels Entered from and Cleared to Brazilian Ports.

Entered.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	19	103	122	31,775	981
1892	25	87	112	41,512	1,158

Cleared.

Year.	Steam.	Sail.	Total.	Tonnage.	Crews.
1891	21	130	151	36,052	1,176
1892	16	122	138	32,645	1,079

The different nationalities of these vessels were—

Entered.

Year.	British.	German.	Dutch	Danish.	Oriental.	Argentine.	French.	Swedish.	Norwegian.	Portuguese.	United States.	Italian.	Spanish.
1891	38	19	7	12	...	1	3	...	22	3	...	3	2
1892	40	14	9	5	1	1	...	6	28	5	1	2	...

Cleared.

Year.	British.	German.	Dutch.	Danish.	Oriental.	Argentine.	French.	Swedish.	Norwegian.	Portuguese.	United States.	Italian.	Spanish.
1891	45	24	10	13	2	3	3	9	28	8	1	2	3
1892	32	24	10	11	1	3	3	10	26	11	3	2	2

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Table V.—RETURN of British Shipping at the Port of Rio Grande do Sul during the Year 1892.

Direct Trade in British Vessels from and to Great Britain and British Colonies.

Entered.								Cleared.							
Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.	Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.
With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.			With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
23	...	23	6,998	...	6,998	175	£ ...	18	8	26	3,877	4,277	8,154	194	£ ...

Indirect or Carrying Trade in British Vessels from and to other Countries.

Entered.								Cleared.							
Countries whence Arrived.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.	Countries to which Departed.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.
	With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.				With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
								£									£
Brazil	29	1	30	17,382	334	17,716	407	...	Brazil	31	10	41	21,436	6,097	27,533	563	...
Belgium	12	...	12	21,401	...	21,401	244	...	United States ...	3	4	7	1,138	3,183	4,321	73	...
Spain	6	...	6	1,434	...	1,434	40	...	Others, principally River Plate	3	14	17	1,474	15,757	17,231	248	...
United States ...	20	...	20	5,291	...	5,291	151	...									
Germany	3	...	3	2,760	...	2,760	35	...									
Others	6	...	6	2,589	...	2,589	82	...									
Total	76	1	77	50,857	334	51,191	959	...	Total... ...	37	28	65	24,048	25,037	49,085	884	...

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ON THE

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No. 1290.

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BRAZIL.

BAHIA.

Consul Nicolini to the Earl of Rosebery.

My Lord, *Bahia, July* 17, 1893.

I HAVE the honour to transmit to your Lordship, herewith enclosed, a Report on the Trade and Commerce of Bahia for the years 1890–92.

The unsettled state of the country, constant changes of the principal officials in all public offices, and the abolition of the Statistical Department since the advent of the Republic, rendered it utterly impossible, notwithstanding my repeated endeavours, to obtain statistics of any description until nearly the end of June last, and even then only by engaging a special clerk to proceed to the Custom House and Commercial Association, there to extract from many documents the very meagre information I am able to afford.

In consideration therefore of the great difficulties, and next to impossibility in obtaining proper and reliable Statistics, I most humbly venture to trust that your Lordship will be graciously pleased to view indulgently a Report written under such unfavourable circumstances.

I have, &c.
(Signed) E. NICOLINI.

Report on the Trade and Commerce of Bahia for the Years 1890–92.

ABSTRACT of Contents.

	PAGE
Shipping	2
Quarantine	2
Exports	3
Crops	3
Imports	4
Exchange	4
Mills	5
Railways	6
Emigration	7
Hospitals	8
Public health	8
Cables	9
Conclusion	9

Shipping.

Comparatively stationary.

From Annex 1 the total number of sailing vessels entering the port of Bahia during the years 1890, 1891, and 1892 will be seen to have been 192, 194, and 205 respectively, the latter year showing a slight increase, so slight, however, that it may be said that sailing navigation has been stationary.

Since the year 1888 the number of sailing vessels frequenting this port commenced to decline, and this may be accounted for by the large increase in steamships, which from 525 vessels, with 815,008 tons, increased to 760 vessels, and 1,208,386 tons, in 1892, see Annex 2. German steam navigation has made rapid progress, the number of German steamers entering Bahia during 1892 amounting to 162, with 268,706 tons, an increase of some 40 vessels, and 65,000 tons, since 1889.

Brazilian traffic.

Great progress has also been made in the Brazilian steam traffic during the last three years; 256 vessels, with 252,192 tons, having entered this port in 1892, as against 98 vessels, with 201,105 tons, in 1889. Brazilian steam navigation is, however, entirely confined to the coasting trade, and does not, therefore, interfere with foreign carrying traffic.

The new law regulating coasting trade is supposed to come into force in November, 1894.

From that date all coasting and fluvial traffic will have to be carried on under the Brazilian flag, but although the national mercantile marine has certainly greatly increased within the last 2 or 3 years, yet those interested are unanimously of opinion that it will be insufficient for such purpose, and the coasting trade will naturally suffer in consequence.

Quarantine.

Since the commencement of the late cholera epidemic, all vessels coming from infected or suspected ports have, to the great detriment of commerce, been subjected to the vexatious quarantine regulations, invariably enforced with the utmost severity.

Such regulations consist in compelling vessels to proceed to the quarantine station at Ilha Grande, some 60 miles south of Rio de Janeiro, for the purpose of there being disinfected previous to being allowed to land their cargoes and passengers at ports of destination.

When it is remembered that Ilha Grande is the only quarantine station on a coast extending over 3,000 miles, some idea may be formed of the great losses, expenses, prejudices, annoyance and trouble caused to shipmasters and owners of vessels, not to mention inconvenience and expense to passengers bound to ports, such as Bahia for instance, distant over 800 miles from Ilha Grande.

The losses and inconvenience occasioned by such regulations are more pronounced in cases of sailing vessels, and I have

known of vessels having been caused a delay of over six weeks previous to finally being allowed to land their cargoes.

Such regulations would appear to be somewhat unreasonable in cases of sailing vessels, which have been at sea for over 40 days and 50 days, without ever having had a case of illness of any description during the voyage, seeing that Brazilian sanitary officials themselves consider the maximum period of incubation for cholera to be from 8 days to 12 days.

Representations to Government.

Many representations have been made to the Government on the subject, and it is satisfactory to say that such representations appear likely to shortly prove successful. Lately a staff of sanitary officials and engineers have been commissioned by the Government to examine and duly survey suitable places along the coast, for the purpose of establishing sundry quarantine stations.

The Morro de São Paulo, a small island about 30 miles south of this port, has already been surveyed and favourably reported upon as a most suitable site. The island of St. Fernando de Noronha is also under consideration for the same purpose, and as this island is in the track of nearly all vessels coming from Europe, with the exception of those bound to Para, it would appear to be very conveniently situated for the object in view.

A final decision has not yet been arrived at, but a credit of 1,500 contos (about 75,000*l.*) has been granted to the Ministry of the Interior for the carrying out of such project, which doubtlessly will be of the greatest benefit to trade and shipping generally.

Exports.

From Annex 3, showing the exports from this port during the years 1890 and 1891, it will be observed that a considerable decrease in the sterling value of the products exported has taken place. Such decrease is, however, principally to be accounted for by the great fall in exchange, which, from 2*s.* 3¼*d.* in 1889, fell to 1*s.* 10½*d.* in 1890, and as low as 1*s.* 4⅛*d.* in 1891, and to the previously unheard of rate of 11⅞*d.* in 1892.

Exchange.

These are the average yearly exchanges, at which rates all conversions have been made.

Germany continues to take most of the produce, the tobacco trade being, it may be said, entirely confined to that country, see Annex 4. Within the last two or three years several large German firms have commenced growing their own tobacco for exportation, in lieu of purchasing from native planters, thus reaping the benefit of the profits, both of planter and exporter.

Germany.

Crops.

The severe drought which for several years had desolated the interior of this State having ceased in 1891 the clearing of new land for plantations of coffee and cocoa has been rapidly proceeded with; the coffee crop for 1892–93 having reached to over 300,000

Coffee.

bags, and it is confidently expected that within the next six years or seven years, when the new trees commence to yield fully, 800,000 bags can be reckoned on. The same remarks apply to tobacco, the crop for 1892–93 being the largest ever yet produced, 252,200 bales having been already exported up to May 31 last, whilst the stock on hand on that date was calculated at 51,000 bales. The quality of this last crop is remarkably good, and far superior to that grown hitherto.

Tobacco.

Sugar.

The heavy rise in the price of sugar has induced many planters, who had abandoned cane cultivation for years past, to recommence, and large tracts of land, principally in the vicinity of central factories, have been cleared for such purpose, and it is said that enormous quantities of cane will be available for the next grinding season, and should present prices hold firm, large profits will accrue both to planters and sugar factories.

Imports.

The value of all the imports to this port for 1890 from all countries was 1,866,182*l.*, calculated at 1*s.* 10$\frac{1}{4}$*d.* exchange, the average rate for the year (see Annex 5). It will be observed that a slight decrease has taken place in cottons, and such decrease will doubtlessly continue in view of the large amount of goods, particularly of the commonest class, such as grey and white half bleached domestics, produced by the native mills, and which find an immediate sale for all the stuff they can manufacture.

Exchange.

From 2*s.* in January, 1890, exchange gradually fell to 1*s.* 1$\frac{5}{8}$*d.* in December, 1892, and at present, whilst writing this report, it has reached the abnormal low rate of 10$\frac{1}{2}$*d.*

Such an enormous fall is principally due to the unsettled state of the country; the civil war at present raging in the province of Rio Grande do Sul being the chief cause in preventing an immediate rise.

Herewith I give a table of the average monthly exchanges ruling during 1890, 1891, and 1892—

Month.	1890.	1891.	1892.
	d.	*d.*	*d.*
January	24	20	$12\frac{3}{8}$
February	$23\frac{3}{4}$	$19\frac{1}{2}$	$11\frac{7}{8}$
March	$21\frac{3}{8}$	$17\frac{7}{8}$	$11\frac{11}{16}$
April	$20\frac{3}{8}$	$17\frac{3}{8}$	$11\frac{3}{8}$
May	$20\frac{7}{8}$	$16\frac{3}{4}$	$11\frac{1}{8}$
June	$22\frac{3}{8}$	$17\frac{7}{8}$	$10\frac{9}{16}$
July	23	16	$10\frac{1}{8}$
August	22	$14\frac{3}{4}$	$10\frac{3}{4}$
September	$22\frac{1}{2}$	$15\frac{1}{2}$	$13\frac{3}{8}$
October	$24\frac{1}{2}$	$13\frac{3}{8}$	$13\frac{1}{2}$
November	$22\frac{1}{4}$	$12\frac{1}{8}$	$13\frac{3}{8}$
December	21	13	$13\frac{5}{8}$

NOTE.—The above rates are for 90-day bills on London.

Mills.

The cotton mills at present working in this State are the following:—

Name of Mill.	Number of Looms.
Conceicão	60
San Salvador	85
Modelo	62
Queimado	30
Penha	60
San Carlos	53
San Braz	150
Bomfim	52
Amparo	150
Todos os Santos	100

Progress on cotton.

A new cotton mill on a very extensive scale (said to be by far the largest in Brazil) is at present in course of construction in this city. It is the property of the company "Emporio Industrial do Norte," and it is confidently expected that 800 looms will commence work in November next. It is intended to principally manufacture domestics and Oxfords of an inferior quality, the staple class of goods used by the negroes and lower classes all over Brazil. The driving machinery has been supplied by a firm at Blackburn, and consists of two engines of 350 horse-power each.

Jute.

A very successful undertaking, and which is likely to lead to most lucrative results, is the jute factory which commenced work about a year ago, under the denomination of "Companhia Fabril dos Fiaés." This company has been granted a Government privilege guaranteeing a freedom from competition in this State for the next 20 years.

It also enjoys exemptions from all provincial and municipal taxes. The factory contains 100 looms, which, however, are not yet all working, owing to certain difficulties encountered with some Scotch weavers, who were expressly brought to this country for the purpose of teaching their trade to the natives. These latter, I am told, are making rapid progress, and will soon make very good artisans.

At present 89 looms are working, but very shortly the full 100 will be at work. The company's capital is 500 contos (about 25,000*l.* at present exchange), with power to call for additional capital whenever necessary. There are only eight shareholders, half of whom are British subjects. The driving power was all supplied by an English firm, and the looms and other textile machinery came from Dundee.

The factory is under the very able management of one of the partners in a long-established dry-goods firm of this city, and it is very satisfactory to say that the demand for the stuff manufactured (principally bagging for coffee, &c.) by far exceeds the present supply.

Railways.

The traffic receipts of the Brazilian Imperial Central Bahia Railway for the years 1891 and 1892 were respectively 76,531*l.* and 57,685*l.*, such a considerable decrease being partly due to the continuation of the drought during the better part of 1891, in consequence of which tobacco and coffee crops suffered severely, and partly owing to stoppages in traffic, occasioned by several strikes of the employés for better wages, which, in view of the enormous augmentation in the cost of living, have been increased by 30 per cent.

Concessions.

The company holds a concession for the extension of the line from Machado Portella to Rio de Contas, 180 kiloms. in length, and also for a branch line from Sitio Novo to Mundo Novo, a distance of about 124 kiloms.

The final surveys for both these lines have been completed, and the plans are now in the hands of the Federal Government for approval.

Both of these concessions enjoy a guarantee of 6 per cent.

By provincial law dated August 22, 1892, the company has been granted a further concession for a branch line from St. Felix to Maragogipe, conditionally to the company undertaking to provide a steamboat service in connection with the railway, between the latter mentioned place and this city. This branch bears no guarantee, but considering the very rich zone it traverses, large, flourishing, and continually increasing plantations of tobacco and coffee being numerous, and the very expensive present means of transport, but little doubt can be entertained that the railway will be a remunerative enterprise.

The Brazilian Government extension of the Bahia-San Francisco Railway is at present open to traffic from Alagoinhas to Villa Nova, a distance of 322 kiloms., and the construction of the line from the latter mentioned place to the city of Joazeiro, on the River San Francisco, a distance of 131 kiloms., is being rapidly proceeded with, and the total line of 453 kiloms. will probably be opened to traffic during the course of next year.

Communication by means of steamers and barges between Joazeiro and various ports on the River San Francisco, to be carried out on an important scale by the Government, will greatly facilitate the transport to this city of produce such as cattle, hides, cereals, tobacco, &c., from the distant, and up to the present almost inaccessible interior of this State, as well as from the neighbouring ones of Minas and Piauhy, and it is expected that directly the Government extension is opened up to Joazeiro, a large increase in goods traffic will be brought down, and travel over the Bahia and San Francisco line to this port. Communication.

On October 31, 1890, a provincial Government concession, later on confirmed by contract dated January, 1891, was granted to Messrs. F. Williamson, J. C. Grant, and Dr. J. I. da Cruz Camarão, for the construction of a railway from Marahú, or Bay of Camamú, to the River San Francisco, in the northern part of the State of Minas Geraes, the terminus selected being Januaria, a distance of some 870 kiloms. to 900 kiloms.

The concession enjoys no guarantee, but by the terms of the contract the Government waste lands, to an extension of 15 kiloms. on each side of the line, becomes the property of the concessionaires.

The line traverses a zone rich in cocoa, timber, dyewoods, piassava, coffee, and cattle, and although bearing no guarantee will doubtlessly have a goods traffic amply sufficient to make it a successful undertaking. Good prospects.

Emigration.

After the terrible experience of the Bradford emigrants, who, led away by the false and mendacious representations of so-called emigration agents, abandoned their homes and employment, and came to this country in 1891 and 1892, and all of whom, to save from complete destitution and ultimate starvation in a foreign land, it was found necessary to repatriate, either at the public expense or through funds generously subscribed by their own countrymen, it is sincerely to be hoped that British subjects will in future abstain from coming to a country where the climate is entirely unsuitable, where in agricultural labour in the open fields they cannot resist the fierce heat of a tropical sun, where the staple food in the interior consists of black beans, mandioca flour, and jerked beef (no other food of any description being obtainable at possible prices), and, above all, where they cannot make themselves understood by any human being.

Wages.

It may also here be remarked that the wages paid in this State are over 100 per cent. less than those paid in the Southern Brazilian States, and at present rate of exchange are even less than what can be easily earned in England.

Want of labour is undoubtedly the principal drawback to the progress of agriculture in the interior, and this is yearly more and more felt.

Chinese labour.

A law for the introduction of Chinese coolies on a vast scale was passed by Congress in 1892, contracts for the supply of some 500,000 Chinese labourers having already, I am informed, been made between the Government and different firms of Rio de Janeiro, and very shortly the arrival of the first shipment is expected.

How these Asiatics will thrive in Brazil it is difficult to say, but if this problem can be judged from a trial made with Indian coolies, brought from the Mauritius to Rio de Janeiro in 1877, it can safely be said that they will all have to be repatriated, as was the case with the coolies above-mentioned, some six months after their arrival.

A Brazilian Diplomatic Agent has already been appointed to China, principally for the promotion of Chinese emigration, and in the interests and for the protection of the large numbers of Chinese subjects likely to come to Brazil; it is sincerely to be hoped that the Chinese Government will deem fit to appoint Diplomatic and Consular Agents to this country.

Hospitals.

The new Misericordia Hospital of this city is completed, and will be inaugurated on July 30 next. It is a magnificent building in every respect and with all the latest improvements, and, with the exception of the Rio de Janeiro Hospital, by far the largest establishment of the kind in Brazil, 500 patients being easily accommodated, and in the event of any sudden epidemic occurring 250 more beds could immediately be added.

The cost of this noble building amounted to 1,400 contos (about 75,000*l.* at present exchange), private charity being the source from which such a large sum emanated.

Public Health.

Yellow fever.

During the summer months of 1891–92 yellow fever in an epidemic form manifested itself in this city. Notwithstanding the precautions taken by the authorities, the dread disease spread and continued to rage with but very slight abatement up to August last; the filthy condition of the city and bad sanitary arrangements contributing greatly to its propagation.

Since the latter mentioned date, epidemically it may be said to have disappeared, although endemical cases take place occasionally.

This has been the first yellow fever epidemic for the last 10 years, and the disease was undoubtedly brought from Santos, nearly all the German steamers coming from that port having had fatal cases on board.

Sanitation.

A proposed scheme for a thorough drainage system of the city on the most approved sanitary principles has for some time past been on the tapis, and tenders for the works have lately been advertised for by the municipality. It need hardly be said that enormous benefit to the public health would be derived if this project is scientifically, and with due regard to sanitary conditions, carried out; and the principal cause of the many diseases which infest this city will at once be done away with.

Cables.

New lines.

In the month of September, 1892, the South American Cable Company completed the laying of their cable from Pernambuco to St. Louis (Senegal), viâ Fernando de Noronha, and the line was opened to traffic in October of the same year. Great advantage has been derived from such enterprise, telegraphic communication to Europe never having been interrupted since, interruptions which occasionally occurred when only one cable existed.

Reduction in rates of transmission.

The result of competition has been the cause of a considerable reduction in the rates to and from Europe, especially from Brazil, where the rates are collected in depreciated currency, the actual rate between Bahia and London being 3$040 reis, equivalent at present exchange to 3*s.* sterling.

Conclusion.

Reciprocity.

The reciprocal agreement entered into between the United States and Brazil in April, 1891, granting a reduction of 25 per cent. on certain goods, whilst others are admitted entirely free, although now in force for over 2 years has not in any way affected the importation of English goods.

The greater cost of labour in the United States, and freights being also somewhat higher than from Europe, are the principal reasons why British trade has not up to the present been injured by such convention.

Useless circulars, &c.

Large numbers of circulars, catalogues, and price lists continue to be received at this consulate. Notwithstanding the often repeated advice to British manufacturers these are invariably printed in English, and it can easily be understood that in a country where the English language is by the greatest part of shopkeepers and dealers very little, if not totally unknown, such publications are more or less useless, all parties preferring to purchase their goods from the wholesale established merchants of this city sooner than go to the trouble and expense of obtaining translations of the documents before-mentioned.

Spanish and French understood.

The Spanish language is thoroughly understood by all Brazilians, French is also generally understood, and price lists in either of these languages would meet all requirements, without necessitating the printing of same in Portuguese.

Seamen.

The absence of boarding-house masters, runners, and crimps at this port is the saving of great expenses to shipowners, as well as work and annoyance to the consular staff. Seamen are rarely enticed to desert their vessels, and complain of their food, as is the case in all large ports infested by crimps, and particularly in Brazil, where, unless privately prosecuted, they ply their nefarious trade with perfect immunity, very often causing a vessel ready for sea to be delayed for days on account of all the crew having been induced to desert.

Annex 1.—NUMBER and Net Tonnage of Sailing Vessels of all Nationalities Entering and Clearing the Port of Bahia during the years 1890–92.

Nationality.	1890.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
American	5	4,004	6	3,838	12	11,516
Argentine	...	...	1	20	1	169
Brazilian	26	4,660	29	5,336	31	5,485
British	56	20,572	49	16,407	57	28,326
Danish	4	705	5	925	4	760
Dutch	2	700	2	2,100	5	1,200
French	...	...	3	596	...	...
German	12	2,327	11	4,545	14	3,302
Italian	3	865	1	426	...	...
Norwegian and Swedish	70	39,800	75	43,300	69	36,000
Portuguese ...	11	2,509	10	2,341	10	2,124
Russian	1	587	...	...	...	...
Spanish	2	473	2	420	2	444
Total	192	77,202	194	80,254	205	89,326

Annex 2.—NUMBER and Net Tonnage of Steamships of all Nationalities Entering and Clearing the Port of Bahia during the Years 1890–92.

Nationality.	1890.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
American	26	66,887	42	109,708	32	91,294
Austrian	10	13,995	12	16,451	9	12,148
Belgian	5	6,617	23	38,672	24	41,428
Brazilian	205	208,178	235	242,097	256	252,192
British	159	297,037	165	302,914	155	302,462
French	109	208,888	117	236,847	95	198,360
German	146	236,812	183	314,894	162	268,706
Italian	8	9,700	7	12,082	18	26,176
Portuguese	6	14,430	2	4,810	9	15,620
Total	674	1,062,544	786	1,278,475	760	1,208,386

Annex 3.—RETURN of the Principal Articles of Export from Bahia during the Years 1890–91.

Articles.		1890.*		1891.†	
		Quantity.	Value.	Quantity.	Value.
			£		£
Coffee	Bags	170,576	534,747	161,408	413,860
Cocoa	,,	52,592	132,534	72,395	200,736
Tobacco	Rolls	10,847	377,220	4,443	451,724
	Bundles	8,508		5,322	
	Bales	262,892		236,656	
Piassava	Tons	10,000	107,431	12,000	159,782
Hides	Number	158,685	42,088	212,718	33,405
Diamonds	Grammes	3,088	18,706	2,149	7,826
Rosewood	Logs	10,949	13,573	10,237	11,248
Indiarubber	Packages	1,193	3,184	2,412	7,638
Sugar‡	Bags	30,310‡	...	249,139‡	...
Cotton	Bales	85	410	23	63
Rum	Pipes	22	186	150	1,110
Tapioca	Barrels	161	186	3,013	1,473
Palm nuts	Bags	392	305	302	329
Logwood	Number	39,470	819	33,489	1,366
Sundries	...	...	44,329	...	11,931
Total	...	...	1,275,718	...	1,302,491

* Average exchange of year 1*s.* 10½*d.* † Average exchange of year 1*s.* 4⅛*d.*
‡ Exempt from duty, no value given.

Annex 4.—TABLE showing Value of Exports to different Countries from Bahia during the Years 1890–91.

Countries.	Value.	
	1890.*	1891.†
	£	£
Great Britain	148,341	175,797
Germany	586,069	660,295
France	251,901	229,178
Belgium	135,016	43,504
Italy	48,681	39,395
Portugal	4,791	7,236
United States	78,762	130,153
Africa (West Coast)	2,864	2,761
Argentine Republic	7,794	1,384
Uruguay	11,499	10,505
Austria	..	1,991
Holland	..	292
Total	1,275,718	1,302,491

* Exchange, 1*s.* 10½*d.* † Exchange, 1*s.* 4⅛*d.*

Annex 5.—TABLE showing the Official Value of the Principal Articles Imported to Bahia during the Year 1890.

Articles.	Value.*
	£
Live animals	61
Feathers and horsehair	4,889
Leather and skins	39,500
Jerked beef, fish, &c.	162,340
Tortoise-shell, mother-of-pearl, ivory	9,050
Preserved fruits, jams, &c.	3,571
Cereals and flour	107,587
Seeds, plants	24,294
Wines, beer, spirits	128,217
Perfumery, dyes	66,808
Chemicals	31,990
Timber and lumber	6,171
Iron and steel	47,545
Various metals	389
Arms, ammunition	13,675
Cutlery	6,863
Musical instruments	4,545
Surgical instruments	4,525
Mathematical instruments	916
Machinery, tools	28,002
Bamboo, canes, straw	775
Cottons	557,297
Woollens	52,748
Linens	38,791
Silk	16,993
Earthenware and glass	26,273
Paper and paper goods	27,667
Stones, clays, and minerals (coal)	190,034
Copper and amalgams	11,753
Gold and silver jewellery	5,749
Lead, zinc, tin	5,103
Various articles not classified	148,871
Total	1,772,993
Value of articles imported for contract works exempt from customs duties	93,189
Grand total	1,866,182

* Exchange 1*s.* 10½*d.*

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BRAZIL.

REPORT FOR THE YEARS 1890-93

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1136.

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1894.

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1252.	Bushire	2d.
1253.	Nagasaki	1d.
1254.	Smyrna	1d.
1255.	Yokohama	1½d.
1256.	Stockholm	1½d.
1257.	Lisbon	1½d.
1258.	Tientsin	1d.
1259.	Port Said	1d.
1260.	Hiogo and Osaka	2½d.
1261.	Damascus	1d.
1262.	Samoa	½d.
1263.	Rio Grande do Sul	2½d.
1264.	Jeddah	1d.
1265.	Vienna	3d.
1266.	Shanghai	3d.
1267.	Bangkok	1½d.
1268.	Meshed	1½d.
1269.	Cadiz	2d.
1270.	Cherbourg	1d.
1271.	Erzeroum	½d.
1272.	Christiania	5d.
1273.	Buda-Pesth	½d.
1274.	New York	3d.
1275	St. Petersburg	7½d.
1276.	Alexandria	1½d.
1277.	Tokio	2½d.
1278.	Bilbao	3½d.
1279.	Beyrout	6d.
1280.	Pekin	2½d.
1281.	Salvador	1d.
1282.	Malaga	4d.
1283.	Buenos Ayres	8½d.
1284.	Canton	1d.
1285.	Washington	4½d.
1286.	Warsaw	½d.
1287.	Pekin	½d.
1288.	Amsterdam	1d.
1289.	Manila	2½d.
1290.	Bahia	1d.
1291.	Munich	1d.
1292.	Trieste	1½d.
1293.	Tunis	4d.
1294.	Montevideo	1½d.
1295.	Belgrade	2d.
1296.	Teneriffe	1d.
1297.	Stettin	3d.
1298.	Rome	2½d.
1299.	Dantzig	7d.
1300.	Sofia	2½d.
1301.	Mexico	1½d.
1302.	Paris	1d.
1303.	Buenos Ayres	½d.
1304.	Tangier	2½d.
1305.	Somali Coast	½d.
1306.	Porto Rico	1d.
1307.	Paramaribo	1d.
1308.	Oporto	1½d.
1309.	Naples	½d.
1310.	Salonica	2½d.
1311.	Valparaiso	2d.
1312.	Mozambique	1d.
1313.	Odessa	1½d.
1314.	Honduras	2½d.
1315.	Batoum	4d.
1316.	Quilimane	1d.
1317.	Copenhagen	1d.
1318.	Lima	1d.
1319.	New York	1d.
1320.	Baghdad and Bussorah	1d.

No. 1321.

Reference to previous Report, Annual Series No. 1136.

BRAZIL.

RIO DE JANEIRO.

Mr. Wyndham to the Earl of Rosebery.

My Lord, *Rio de Janeiro, November* 7, 1893.

I HAVE the honour to inclose herewith two very interesting Reports on the Finances and Commerce of Brazil which have been drawn up by Mr. Frederic Harford, Second Secretary in Her Majesty's Legation.

The Statistics contained in these Reports are the latest which can be obtained.

In the Commercial Report will be found the Tariff Charges which are to come into force on January 1, 1894.

I have, &c.

(Signed) HUGH WYNDHAM.

Report on the Finance and Commerce of Brazil for the Years 1890–93.

ABSTRACT of Contents.

PAGE

FINANCIAL.

Budget of 1890; definitive balance sheet 3
„ 1891; provisional „ 5
„ 1892; approximate „ 7
„ 1893; estimated „ 10
Extraordinary and supplementary credits, 1892-93 11
„ „ „ for the army and navy .. 12
Expenditure and loss caused by the civil war in Rio Grande followed by the naval revolt at Rio de Janeiro 12
Budget for 1894, estimated deficit 13
Expenditure payable in gold 14
Average of, and consequent loss by exchange 14
Loan for 3,000,000*l.* authorised by Budget Law for 1894 to cover deficits in 1893 and 1894 14

ABSTRACT of Contents—continued.

PAGE

FINANCIAL—continued.

Speculation and company promoting 15
Their effect on Brazilian credit 15
Exchange 16
Government remittances to London, 1891–93 17
Oeste de Minas loan, history of 17
Rothschild loan of 1,000,000*l.*, repayment of 18
Bank reform and currency legislation, abstract and text of Law approved in September, 1893 19
Mint and coinage of silver 23
Paper money, amount in circulation 24
Security for and per capita circulation 25
Public debt; external, internal, and floating 26
Unpaid assets of the Government 28
Total indebtedness of Brazil 29
Estimate of 29
Increase since the fall of the Empire in 1889 29

COMMERCIAL.

General review of 1892 29
Import and export trade 29
Import duties 30
Projected revision of customs tariff 32
Commercial treaties 32
No progress made in negotiating 32
Custom-house revenue, 1889–93 (import duties only) 32
Exports and imports at Rio with various countries in 1890 34
Trade with New Zealand, Canada, Burmah, &c. 34
British imports at Rio in 1890 35
Trade of United Kingdom and Brazil, 1887–91 36
Receipts of all custom-houses compared, 1889–92 37
Customs convention with the United States 38
Growths of exports to the United States of America, less increase in imports 38
Injury to British trade exaggerated; imports of cotton goods from the United States of America and England 38
Statistics of trade between the United States of America and Brazil, 1890–92 40
Cotton 41
Brazilian cotton imported at Rio and exported 41
Coffee 42
Importance of this industry 42
Exports from Victoria, Santos, and Rio in past years 42
Estimate for 1893–94 crop year 46
Indiarubber 46
Exports from Para and Amazonas 47
Coasting trade 47
Law to restrict to native vessels 47
Present distribution between native and foreign vessels 49
Railways 49
Lines open for traffic or under construction 50
Railway extension and railway schemes 50
Rio to Pernambuco railway scheme 51
Quarantine regulations 51
Prohibition of mineral water importation 52
Quarantine stations 52
Complaints against insufficient number of 52
Island of Fernando do Noronha selected for lazaretto for Pernambuco .. 52
Signal station erected there 52
Sanitary convention with River Plate Republics terminated by Brazil in August, 1893 53

Abstract of Contents—continued.

	Page
Commercial—continued.	
Immigration	53
Census of State of Rio de Janeiro	55
Census of the city of Rio	56
Capital of Brazil	56
Description of locality in Goyaz selected for future site of	56
Means of communication with	57

Note.—The milreis is calculated in this report, for the sake of uniformity, a the par rate of 27*d*. Tables of exchange for several years will be found in another part, up to September, 1893. 1 conto, or 1,000,000 reis = 1,000 milreis, or 112*l*. 10*s*. at par.

Financial Report.

The report addressed in April, 1893, by Sr. Serzedello Corrêa, the late Minister of Finance, to the Vice-President of the Republic, states that the definitive balance-sheet for the year 1890 was as follows:—

Revenue.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Ordinary—		
Customs dues on imports	100,487,442$655	11,304,837
Maritime dues	541,813 359	60,954
Customs duties on exports	19,997,222 399	2,249,688
Internal revenue	53,237,144 487	5,989,168
	174,263,622 900	19,604,597
Extraordinary	20,989,783 264	2,361,300
	195,253,406 164	21,965,897
To which is added—		
Balance of deposits	6,524,227 678	733,950
Issue of nickel coin	157,000 000	17,662
	201,934,633 842	22,717,509
Balance from 1889	90,578,359 874	10,190,065
Total	292,512,993 716	32,907,574

The expenditure was thus distributed for the different Ministries:—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Interior	11,036,197$945	1,241,577
Public Instruction	6,885,483 604	774,616
Justice	8,760,836 067	985,544
Foreign Affairs	1,253,587 173	141,028
Marine	15,436,501 941	1,736,607
War	29,548,815 772	3,324,241
Agriculture	70,528,141 487	7,934,316
Finance	77,196,309 868	8,684,585
	220,645,874 457	24,822,514
Difference between the receipts, including special funds, and the expenditure ..	71,867,119 259	8,085,060
Without special funds the above surplus will be reduced to..	65,342,891 581	7,333,458
And be converted into a deficit (if the balance for 1889 is not included) of ..	25,235,468 293	2,856,607

The following operations were also effected in the year, which do not influence the result:—

Revenue.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Deposits by the banks as a guarantee for their issues..	64,916,208$936	7,303,023
Payment made by the Banco do Brazil on account of its issue	4,500,000 000	506,250
Payment made by the Banco National ..	1,900,000 000	213,750
For purchase of S. Paulo and Rio de Janeiro Railway	10,000,000 000	1,125,000
Total	81,316,208 936	9,148,023

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Redemption of paper money	6,400,000$000	720,000
,, treasury bills	6,095,000 000	685,687
Purchase of S. Paulo to Rio de Janeiro Railway	10,000,000 000	1,125,000
Assistance to agriculture	10,550,000 000	1,186,875
	33,045,000 000	3,717,562
The balance is therefore	48,271,208 936	5,430,461
Which added to the previous balance of ..	71,867,119 259	8,085,060
Gives a total of	120,138,328 195	13,515,521

This represents the definitive result of the financial year 1890. The revenue in 1890 was about 21 per cent. more than in 1889, while the expenditure increased by 18 per cent. The provisional balance-sheet, published in Annual Series No. 952, estimated the balance for 1889 at 141,925,097$162 reis (15,966,573*l.*), and the balance for 1890 at 148,661,529$649 reis (16,724,429*l.*). It will be seen that in both cases a smaller balance resulted finally. The Budgets of 1888–89 were made to balance by the aid of the loans contracted in those years, including in the latter year an internal loan of 100,000,150 milreis (11,250,000*l.*), the 4 per cent. foreign loan of 1889 being employed in the conversion of the loans of 1863, 1865, 1871, and 1875, to the amount of 153,008,888$889 reis (17,213,500*l.*).

Budget of 1891.

The provisional balance sheet for the year 1891 is thus given:— Budget of 1891.

REVENUE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Ordinary—		
Customs duties on imports	106,217,526$226	11,949,412
Maritime dues	586,402 363	65,970
Export duties	16,759,959 369	1,885,495
Internal revenue	67,159,392 101	7,555,432
	190,723,280 059	21,456,309
Extraordinary	37,896,499 101	4,263,256
Total	228,619,779 160	25,719,565

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Apportioned among the ministries as follows—		
Interior	10,487,059$874	1,179,794
Justice	9,030,942 546	1,015,980
Foreign Affairs	872,623 132	98,170
Marine	15,797,061 358	1,777,169
War	31,347,333 492	3,526,574
Agriculture, &c.	74,982,164 145	8,435,193
Public Instruction	13,872,201 532	1,560,623
Finance	65,142,531 000	7,328,535
	221,531,917 579	24,992,038
Excess of revenue over expenditure ..	7,087,862 081	727,527
Which will amount to	37,889,446 268	4,192,704
By adding the balance of deposits, after deducting the amounts deposited in the Treasury as the basis for issues, viz. ..	30,801,584 187	3,465,177

This result is greater by 15,398,874$229 reis (1,673,764*l.*) than that anticipated in the report for 1892, viz., 22,490,572$039 reis (2,518,940*l.*). The difference is attributed to the following causes :—(1) From the expenses incurred by the Treasury agency in London during the first quarter of 1892 not being known; (2) from the expenses specially authorised not having attained the amount calculated; and (3) from the balance of deposits having exceeded the estimate by 3,889,172$059 reis (433,470*l.*).

The following operations, which do not influence the results obtained, were also realised in 1891 :—

REVENUE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Deposits of banks of issue	12,610,886$138	1,418,725
Issue of nickel coinage	638,500 000	71,831
Revision of contract with the territorial Bank of Minas Geraes	600,000 000	67,500
Balance from 1890	120,124,341 564	13,513,988
Total	133,973,727 702	15,072,044

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Redemption of paper money	3,470,016$500	390,377
,, treasury bills	400,000 000	45,000
Purchase of silver for coinage	1,653,035 997	185,965
	5,523,052 497	621,342
Difference between these operations ..	128,450,675 205	14,450,702
Which, added to the balance before shown of	37,889,446 268	4,192,704
Amounts to	166,340,121 473	18,643,446

This sum represents the balance indicated in the provisional balance-sheet. Compared with 1890 the report states that the revenue of 1891 was greater by 17 per cent., while the expenditure increased by only 4 per cent. approximately.

Budget of 1892.

When the official report of the Minister of Finance was published returns had not been received from the States of Bahia and Rio Grande do Sul for May to December; from S. Paulo for September to December; from Pernambuco, Ceará, Piauhy, and Amazonas for December; and from the Treasury agency in London for April to June, and November and December. Budget of 1892.

The returns at present received show the following results:—

REVENUE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Ordinary—		
Customs duties on imports	131,175,103$896	14,757,200
Maritime dues	466,024 339	52,428
Export duties	443,186 495	49,858
Internal revenue	49,912,052 610	5,615,105
	181,996,367 340	20,474,591
Extraordinary	7,443,240 030	837,364
Total	189,439,607 370	21,311,955

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Interior	10,992,647$439	1,236,673
Public Instruction, &c.	13,873,069 446	1,560,720
Justice..	6,283,895 674	706,938
Foreign Affairs	1,688,901 255	190,002
Marine	16,976,018 570	1,909,802
War	23,184,426 037	2,608,248
Agriculture, &c.	53,158,056 596	5,980,272
Finance	75,002,347 244	8,437,764
Total	201,159,362 261	22,630,419
Excess of expenditure over revenue ..	11,719,754 891	1,318,464

But this is not the result that must be looked for when the accounts for 1892 are finally made up. Full returns according to Sr. Serzedello Corrêa's calculations, based on those already received, will show a revenue of 224,966,779$361 reis (25,308,765*l.*).

As regards the expenditure, the ex-minister bases his calculations on the report for 1892, with the alterations at present known :—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Expenditure fixed by Budget Law.. ..	205,948,264$128	22,169,180
Authorised by various articles of that Law	2,057,329 896	231,449
Extraordinary and supplementary credits..	38,740,344 086	4,358,288
Expenditure for past budget years.. ..	9,601,830 972	1,081,205
To meet differences of exchange in addition to the 10,000,000 milreis voted ..	11,710,024 683	1,317,378
Total expenditure	268,057,793 765	29,157,500
„ revenue	224,966,779 361	25,308,765
Showing a deficit of	43,091,014 404	4,848,735
	24,119,209 259	2,714,328
Or, if the balance of deposits is included, viz.	18,971,805 145	2,134,407

This deficit of 24,119,209$259 reis (2,714,328*l.*) is greater by 2,900,000 milreis (326,250*l.*) than that estimated in the report for 1892, but will, the Minister thinks, be diminished by the surplus from various credits; and the President of the Republic stated, in his message of May 3 last, that "to meet this deficit sufficient means will be furnished by the sums deposited in banks on current account by order of the former Government, sums which those banks bound themselves to return to the Treasury within a given time." The Budget Law for 1892, it may be remarked, showed an apparent surplus of 2,000,000 milreis (225,000*l.*) for the year.

The following operations, which it is said should not affect the result, were also effected in 1892 :—

REVENUE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Issue of nickel coinage	956,000$000	107,550
„ paper money (treasury notes) ..	49,956,000 000	5,620,950
Banco da Republica for redemption of paper money	8,931,672 165	1,005,712
Balance of 1891, subject to the definitive liquidation	166,761,609 836	18,760,680
Total	226,605,282 001	25,494,892

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Loan to Banco do Brazil	37,500,000$000	4,218,750
,, Banco da Republica dos E. U. do Brazil	12,456,000 000	1,401,300
Deposited on current account in the above banks	93,871,656 717	10,560,561
Paid on account of a loan made by the State of Sergipe, guaranteed by the Government	77,098 357	8,673
Total	143,904,755 074	16,189,284

Taking into account all the above operations, Sr. Serzedello estimates that the accounts for 1892 will be closed with a balance of 89,952,587$181 reis (10,119,440*l.*), but he gives no clue as to how this figure is arrived at.

The above statement, it will be seen, shows a balance of 82,700,526$927 reis, from which should be deducted the estimated deficit of 24,119,209$259 reis; thus it would appear that the actual net balance will be reduced to 58,581,317$668 reis (6,590,397*l.*), *i.e.*, little more than one-third of the balance brought forward from 1891.

Budget for 1893.

Budget for 1893.

According to official information supplied to the Ministry for Finance, mostly by telegraph, the revenue for the first quarter of 1893 is as follows :—

REVENUE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Ordinary—		
Customs duties on imports	31,943,666$151	3,593,662
Maritime dues	183,474 450	20,640
Surtaxes	16,029,649 255	1,803,335
Export duties	12,088 924	1,360
Internal revenues	9,890,514 318	1,112,683
Tobacco tax	11,527 606	1,297
	58,070,920 704	6,532,977
Extraordinary	1,009,237 416	113,539
Total	59,080,158 120	6,646,516
For the whole year (estimated)	253,621,470 479	28,532,410

The expenditure as fixed by the Budget Law for 1893 was as follows :—

EXPENDITURE.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Justice and Interior	13,594,411$988	1,585,621
Foreign Affairs	1,627,300 000	183,071
Marine	15,714,988 110	1,767,936
War	28,836,802 161	3,244,140
Industry and Public Works, &c.	67,526,460 332	7,596,727
Finance	70,008,787 825	7,875,988
	197,308,750 416	22,253,483
Various expenses authorised by Budget Law	591,930 000	66,591
Extraordinary credits (up to April 20) ..	10,997,744 458	1,237,246
Difference of exchange up to March 31 ..	6,986,502 891	785,982
Proportionally for April to December ..	20,959,508 673	2,357,944
Increase of 40 per cent. in salaries of Government press	198,800 000	22,365
Total	237,043,266 438	26,432,410

The revenue and expenditure for the whole year is therefore estimated thus:—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Revenue	253,621,470$479	28,532,410
Expenditure	237,043,266 438	26,432,410
Surplus	16,578,204 041	2,100,000
Or, if the balance of deposits is included ..	3,500,000 000	393,750
A surplus of	20,078,204 041	2,493,000

It will be observed that no provision was originally made in the Budget Law for the loss by exchange. This difference has been estimated at 21,710 contos of reis in 1892, and at 27,946 contos of reis for 1893.

The extraordinary and supplementary credits decreed in 1892 reached the large sum of 37,286 contos of reis (4,194,675*l.*).

The special credits for the current year up to April 20, as shown above, amount to 10,997 contos of reis (1,237,246*l.*).

They include credits for constructing a lazaretto at Pernambuco, for the special mission to China, and finally the sum of

4,200 contos of reis (472,500*l*) for the War Department. Of this amount 2,000 contos of reis (225,000*l*.) is "to meet the extraordinary expenditure due to the occurrences in the State of Rio Grande do Sul, and the urgent necessity of employing effective means to maintain order and defend the Republic" (dated March 4, 1893). Another credit, dated March 21, amounting to 115,000*l*., was for the purchase of rifles and ammunition in Germany.

Since that date, however, numerous extraordinary credits have been required, and when Congress rose on September 25, it had not finally passed an "omnibus" credit of some 40,000 contos of reis (4,500,000*l*.) for various purposes, which is now left to be dealt with by the executive. Included in the above total was a credit of 5,372 contos for the Ministry of War, but a decree issued by the President raises that credit to 8,000 contos (900,000*l*.), owing to the exigencies of the moment. The credit for the navy of 2,171 contos is also raised to 3,021 contos.

These credits alone, and there are many others, will suffice to show that the estimated surplus for 1893 is entirely illusory, and the outlook for 1894 is not more reassuring, but all forecasts and calculations are inevitably vitiated by subsequent additional credits, and this year in particular, the unfortunate civil war in Rio Grande, coupled with the revolt of the navy, are further disturbing factors, the consequences of which it is impossible to foresee.

In June, 1893, Congress voted 12,000 contos of reis in gold (1,350,000*l*.) for the purchase of material for the navy, and a further sum of 18,000 contos in gold (2,025,000*l*.) to substitute the armament of the army, making a total of 30,000 contos in gold, equivalent to nearly 72,000 contos in currency at the present exchange. These figures will suffice to show that ruinous expenditure on armies and fleets is not confined to the Old World, and that Brazil is unfortunately imitating her South American neighbours in this respect. The President's message to Congress in May contains the following passage:—"Notwithstanding its having been increased by two war vessels, to which two more will soon be added, the glorious Brazilian navy is still far from what it should be in order to fulfil the elevated mission which the extensive coast line of the country imposes on it, and the position of Brazil in South America. I therefore urge upon you to give it a greater number of war engines, constructed in accordance with the latest technical improvements." The Rio Press confidently asserts that it is intended to add twelve war vessels to the navy, six cruizers and six torpedo boats. As regards the army the President said:—"It is urgent that the supply of war material should be reasonably increased as far as actual necessities demand."

The extra expenditure incurred by the Government owing to the regrettable civil war which has been and is still raging in Rio Grande, must amount to a very large sum. A Rio paper estimated it at one time at 200 contos per diem (22,500*l*.); another

authority places as high as 40,000 contos (4,500,000*l.*), the cost since these troubles began, but this is doubtless an exaggeration, though there will eventually be many heavy claims to settle for damage caused by these hostilities. In any case this revolution is causing a heavy drain on the resources of the country, and has injuriously affected her credit abroad, as well as exercising a disturbing influence on trade in general in Brazil itself. In fact, the present economic and financial crisis through which this country is passing, is greatly due to the uncertainty and feeling of suspense which pervades all classes of society, while a solution seems as far off as ever, and no marked improvement in exchange appears probable at present.

The revolt at Rio has occurred since the above was written, but it is unnecessary to point out what harm, and possibly lasting harm, it is causing to Brazilian commerce and finance.

Budget for 1894.

The expenditure for 1894 is fixed as follows :— Budget for 1894.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Ministry of Foreign Affairs	1,815,992$000	204,307
„ Marine	17,846,199 915	2,007,697
„ War	29,959,815 357	3,370,480
„ Justice and Interior ..	14,473,832 660	1,628,305
„ Industry and Public Works	100,716,824 555	11,330,642
„ Finance	85,645,244 165	9,635,090
Total	250,457,908 652	28,176,521
The revenue is fixed at	233,521,890 743	26,271,212
Estimated deficit	16,936,017 909	1,905,309

Provision is made in the Budget for the expense of surveying the site for the proposed new capital in Goyaz, and of a branch line to join the strategical line from Catalao to Cuyabá, as well as for studying other means of communication between the new capital and the littoral by rail or river, or both conjointly (ferro-fluvial).

Money is also voted for the expenses of a Commission to delimitate the boundary between French Guiana and Brazil. The same law authorises the Government to open supplementary credits in the financial year 1894 under thirty different heads for the various Departments of State, without fixing any limit.

Congress has passed a law this year fixing the conditions on which companies can issue debentures, for which the authorisation of the executive is requisite, and it may be mentioned in

this connection that a Bank, called the Banco National Brazileiro, has recently commenced operations at Rio de Janeiro, a considerable portion of its capital having been found in France, and the rest subscribed here.

In considering the financial position of Brazil during the continued prevalence of a low exchange, it is important to realise the amount of her liabilities which have to be met in gold. The ordinary expenses in gold of the National Treasury were estimated by the Budget Commission of the Chamber of Deputies in August of this year at 5,550,195*l.*, made up as follows:—

Description.	Amount.	
	£	£
Service of external debt	1,506,129	
National debt of 1868	236,250	
„ „ 1879	445,705	
„ „ 1889	334,910	
Interest of bonds converted by Law of October 6, 1890	576,033	
		3,099,057
Treasury agency in London, and advances of 2 per cent. interest guaranteed by the State ..	..	52,225
Under various heads	..	153,031
Guaranteed interest on railways, &c.	..	1,545,322
Average expenses ordinarily paid abroad ..	..	695,560
Total	..	5,550,195

This total is entered in the Budget in Brazilian currency at 27*d.* (par) exchange, or 49,341,000 milreis, therefore at 13½*d.* exchange it represents the double, or 98,682,000 milreis, and as only 20,124,840 milreis is provided in the Budget for difference of exchange, at least 29,216,160 milreis should be added for the loss by exchange to the officially estimated deficit of 16,936,017 milreis. It should be noted that the average exchange for the year 1892 was about 12*d.*, and that for 1893 will certainly be even lower.

It is not surprising, therefore, in view of the anticipated deficits for 1893 and 1894 that an article in the Budget Law for 1894 authorises the Government to effect what economies it can in the votes for the different departments, and, secondly, to raise a loan not exceeding 3,000,000*l.* at home or abroad, in order to cover those deficits.

It seems, however, certain that this sum, if obtained on loan, will not be nearly sufficient for the purposes for which it is destined, and that the greater part will be required to cover the deficit for 1893. As before stated, a surplus of 20,078 contos of reis was anticipated by the Minister for Finance for the current financial year, but up to the beginning of October at least 45,000 contos have been allotted in special credits, which at once changes the surplus into a deficit of some 25,000 contos.

This deficit should be largely increased by the end of the year by fresh credits to meet the expenditure necessitated by the military operations in the south and at Rio de Janeiro. At the same time, since September, receipts from all sources, especially from the customs, show a considerable falling-off, so that the final deficit for the year 1893 can hardly fail to amount to less than 50,000 contos of reis or 60,000 contos of reis (2,500,000*l.* to 3,000,000*l.*) at the exchange of 12*d.*

As regards the coming financial year, the Budget Law for 1894 anticipates a deficit of 16,936 contos, which with the estimated additional loss by exchange of 29,216 contos, makes 46,152 contos of reis. But if, in accordance with the practice of recent years, special credits are largely voted, the deficit may easily be raised to 100,000 contos (5,000,000*l.*), at the exchange of 12*d.* As before stated, there is a further liability that will have to be met sooner or later, viz., the 30,000 contos in gold, or about 72,000 contos in paper currency, voted by Congress this year for the re-armament of the army and navy.

The excessive speculation and wholesale floating of bubble companies which characterised the latter half of 1889 and the first 2 years of the Republican régime did incalculable harm to the credit of this country, of which the full effect has only lately, perhaps, been fully realised.

Allusion has been made in a previous report (Annual Series No. 1136), to the gigantic failure of the Geral Railway Company, which caused such a scandal that the Press styled it the Brazilian Panama. The history of the Chopim Railway is a sample of that of many of the companies organised during the time when Sr. Ruy Barbosa was Minister of Finance. On October 18, 1890, Decree No. 876 granted an interest guarantee of 6 pèr cent. per annum on 30,000 milreis (3,375*l.*) per kilom. for a projected railway from Estreito, in the State of Santa Catharina, to the mouth of the Chopim River, in the State of Paraná. The estimated length of the line was 2,288 kiloms. (1,730 miles). Early in January, 1891, the prospectus of the Estreito and S. Francisco to Chopim Railway Company was published by Sr. Sebastião Pinho as the incorporator, with a capital of 60,000,000 milreis (6,750,000*l.*), of which one-half was stated to be already subscribed for, and 20 per cent. of this capital was declared to have been paid up and deposited in the Banco Paris e Rio on January 31. The money remained in the bank exactly one week! On February 7 the whole 12,000,000 milreis (1,350,000*l.*) was withdrawn by the directors. Sr. Pinho published in the "Jornal do Commercio" in December last a statement which explains the mystery. No less than 10,200,000 milreis (1,147,500*l.*) was divided amongst the promoters and directors, and he evidently expects the readers of that journal to be astonished at their moderation. After months of litigation the organisation of this company was declared to be irregular, and the subscriptions ordered to be returned to the shareholders, and Sr. Pinho was arrested, but subsequently released. In publishing the above statement, the "Jornal do Commercio"

observed that "except in two or three celebrated cases, such as the Panama, Comptoir d'Escompte, &c., we have never seen in the financial history of the principal money markets abuses so colossal as those which occurred in this market in 1890 and 1891."

It has been officially stated that in the year 1891 alone no less than 313 associations were organised and registered, with a capital of 1,849,156,900 milreis (207,030,150*l.*); and in 1890 the nominal capital of companies organised in Rio amounted to 1,332,306,600 milreis (149,884,492*l.*).

Exchange.

Exchange.

The great excess of imports over exports has had the natural effect of lowering the rate of exchange, and the heavy remittances made by the Government had the same tendency. The Oeste de Minas loan strengthened the exchange market for a short periods but the demand for remittances continuing in excess of supply, rates again gave way. The Government in their official reports, and the Press to some extent, have accounted for the decline in exchange by alleging a defamatory crusade against the credit of the country here and in Europe; but it would appear that the economic and commercial reasons are quite sufficient to account for the depreciation in the value of the Brazilian currency.

It is instructive to note the continuous fall in the exchange from $27\frac{9}{16}d.$ in October, 1889, to $10\frac{1}{8}d.$ in June and July, 1892, rising in October, 1892, to nearly 16*d.*, only to fall again in June, 1893, to $10\frac{1}{4}d.$, a rate lower than at any time during the Paraguayan war.

The flooding of the country with paper money in 1891 naturally had a great effect in depreciating the currency; but if the security for it had been generally felt to be ample and intact, confidence in the solvency of the State would ere this have brought about a reaction.

EXTREME Monthly Prices for Sovereigns in last Three Years.

Months.	1892.		1891.		1890.	
	From—	To—	From—	To—	From—	To—
	Reis.	Reis.	Reis.	Reis.	Reis.	Reis.
January	19$160	20$780	11$950	12$900	9$450	10$200
February	19 720	20 700	12 700	12 820	9 350	10 120
March	20 480	20 700	12 800	13 810	9 700	10 900
April	20 580	21 400	13 530	13 900	11 760	11 660
May	21 690	22 110	14 320	15 000	10 780	11 800
June...	21 450	22 600	13 200	14 700	10 760	11 830
July	22 480	23 680	13 430	15 760	10 200	10 650
August	21 100	23 620	15 600	17 190	10 460	11 100
September	18 000	21 700	15 480	16 600	10 900	11 340
October	15 400	18 600	15 000	17 800	11 020	11 250
November	17 810	19 400	20 800	20 880	9 850	11 000
December	18 020	18 600	20 000	21 200	10 800	10 750
Extremes of the year	15 400	23 680	11 950	21 200	9 350	11 830

AVERAGE Monthly Exchange on London for last Five Years.

Months.	1892.	1891.	1890.	1889.	1888.
	d.	*d.*	*d.*	*d.*	*d.*
January	12·30	19·78	24⅜	27⅜	24 1/16
February	12·06	19·34	24⅜	27⅜	24½
March	11·75	18·62	22 15/16	27½	23 7/16
April	11·50	17·69	21⅝	27 7/16	23 7/16
May	11·12	16·56	21⅛	26⅞	23⅛
June	10·84	17·59	21 7/16	26⅞	24⅜
July	10·22	16·56	22⅛	27	25 9/16
August	10·53	15·31	22 1/16	27⅛	26 1/16
September	12·31	15·34	22	27 7/16	26⅛
October	14·41	14·41	22 1/16	27 9/16	27 1/16
November	12·91	12·96	23⅛	27 7/16	27 1/16
December	13·38	12·09	21⅞	25 13/16	27 1/16
Average for the year ...	11·94	16·33	22⅛	26 1/16	25¼

AVERAGE Rate of Exchange for Bank Bills at 90 Days' Sight from January to September in the Year 1893.

Month.	Sterling.
	d.
January	13¼
February	13⅛
March	12⅝
April	12⅛
May	11⅛
June	10⅝
July	10⅝
August	12
September	10⅞

Remittances by the Government to London.

Remittances by the Government to London.

From June, 1891, to March, 1892, the sum of 2,711,631*l.* was remitted to London at various dates at the exchange of the day for payments made through the Treasury agency there, costing 26,715,621$664 reis. From May, 1892, to March, 1893, the sum of 2,827,746*l.* was similarly remitted to London, costing no less than 51,382,364$911 reis, at an average exchange for that period of 13½*d.*, which is a much lower average than during the period first mentioned of June, 1891, to March, 1892.

Oeste de Minas Loan.

Oeste de Minas Loan.

The motives which led the Government to raise a loan in the name of the Oeste de Minas Railway are thus explained in the report of the Minister of Finance. More than 1,500,000*l.* having been remitted to London in order to satisfy the charges of the Treasury, amongst which figured the payment (part) of the 1,000,000*l.* borrowed of Messrs. Rothschild in 1892, the Government recognised the necessity of effecting a foreign loan in order to avoid its having to appear as a buyer in the exchange market,

which is now more sensitive than ever, and Congress not having authorised the raising of a loan by the Government itself, it was arranged with the above company to float a loan in their name, the product of which was to be placed at the disposal of the Treasury agency in London. A loan of 3,700,000*l.* nominal was accordingly negotiated through the medium of Messrs. Rothschild at 80 per cent. and 5 per cent. interest guaranteed by the Government. This loan produced, at 77 per cent., the sum of 2,849,000*l.* net, and, by arrangement with the company, was taken over by the Brazilian Government at the exchange of 20*d.*, the equivalent of which is 34,188,000 milreis. The difference of 3 per cent. (between 80 and 77 per cent.) is presumably for the commission and expenses connected with the raising of the loan.

The shareholders of the railway company can hardly be congratulated on obtaining a loan on such onerous conditions, which, on the other hand, appears to be very advantageous to the Government, who receive the sum of 2,849,000*l.* in gold bought at 20*d.* to the milreis, and at the same time only undertakes to pay the company, as they require it, 34,188,000 milreis in currency, which, at the present exchange (end of July) of about 12*d.* is worth but 1,794,000*l.* Unless, therefore, the exchange in the meantime rises above 20*d.*, the Government secure a double advantage. The consideration received by the company is the guarantee of the interest on the nominal capital, which at 5 per cent. amounts to 185,000*l.* per annum, and their good offices in negotiating the loan. Calculated on what the company will actually receive, they will be paying at the rate of nearly 10 per cent. per annum.

Some excitement was caused in Rio by the announcement that the application for a quotation of the above loan of 3,700,000*l* had been refused by the committee of the London Stock Exchange, and that a settling day only had been granted. The reason for this unusual step would appear to be in the irregularities alleged to have been discovered in the allotment of scrip to subscribers. Some applicants are said to have received the amount they applied for in full, while others did not take any allotment at all. 7,000,000*l.* was nominally applied for, but only 2,650,000*l.* was apparently actually allotted; and the bonds which at first were quoted at 82 per cent., or 2 per cent. premium, have since been quoted at 7½ per cent. discount.

Repayment of Rothschild Loan of 1,000,000*l.*

Repayment of Rothschild Loan of 1,000,000*l.*

The Budget Law for 1893 allotted, as a special credit, the sum of 9,335,000 milreis for the interest and repayment of the loan of 1,000,000*l.* contracted in April, 1892, with Messrs. Rothschild at 97, that firm receiving 3 per cent. commission. But if remitted from Brazil the amount allotted would be largely exceeded, owing to the depreciation of the currency; and no

doubt the product of the Oeste de Minas Loan will be partly devoted to this purpose. The sum of 12,500*l.* was payable as interest in September and December, 1892, and March, 1893; and on April 1, 1893, a first instalment of 300,000*l.* was due, the balance of 700,000*l.* being payable in July and October of this year, in order to effect the final amortisation of the loan.

It was reported in June that the Government were buying up the bonds of the 4½ per cent. gold internal loan of 1879, of which only 25,629,500 milreis remained in circulation on March 31, 1893. The reason given was that this would facilitate the floating of the Oeste de Minas Railway Loan. In any case, the sum of 300,000*l.* in specie was forwarded to London on June 1. In July the Government bought up a considerable amount of the 6 per cent. loan of 1868, paying up to 2,000 milreis for the bonds, and there is now very little of this loan outstanding.

Bank Reform.

Bank Reform.

The question of bank reform occupied the attention of Congress during the Session of 1892, but although various schemes were brought forward, not one was finally accepted, and Congress rose early in November without any decision having been come to on this important subject. As had been anticipated, however, the Government attempted to settle the question by an executive decree issued on December 17, 1892, in the absence of Congress. This measure, which was severely criticised by the Press, and in general received but faint praise from the public, decreed the fusion of the Banco do Brazil with the Banco da Republica, under the title of the Banco da Republica do Brazil, and gave the monopoly of issue of paper money to the amalgamated bank, and the Government took the responsibility of such issues in case of liquidation of the bank. At the same time the specie deposits against bank issues were handed over to the Government, and substituted by new Government bonds bearing 4 per cent. interest in gold. The scheme of this Law was to retire from circulation 100,000 contos of reis (11,250,000*l.*) of Government paper money (Treasury notes), and the new bank was authorised to emit bonus to the same extent of 100,000 contos of reis (11,250,000*l.*), these bonus to bear 4 per cent. interest, and to be received as currency by all State Departments, and for the purpose of aiding industries.

The above is a résumé of this very complex decree, but even if faithfully carried out by the bank the redemption of paper money would appear to be fictitious, as for all notes withdrawn bonus to a like amount are to be substituted, and the fact that the bonus bear interest hardly suffices to vitiate this argument. It appears from the finance report that while 20,000 contos of bonus have been issued as advances to various industrial undertakings, only 2,127 contos of notes were redeemed up to March 31, notwithstanding that the Minister of Finance had in

the month of February, in order to facilitate matters, sent the bank 28,414 contos in bonds and 100,000*l.* in sovereigns, urging the importance of forthwith redeeming 50,000 contos of notes, as 100,000 contos worth have to be redeemed within a year. According to the report of the Finance Committee, the Bank applied 86,500 sovereigns to the payment of interest on the internal debt, a payment which, in virtue of Article 11 of the Decree, it should have made with the Treasury balances; and only 13,500*l.* was employed in the redemption of notes. (See Table No. 28 of the report of the Minister of Finance.)

On the meeting of Congress in May last the Decree was submitted for ratification, and the committee just referred to criticised it very unfavourably. The Bill drafted by this committee was not accepted, however, and another Bill, brought forward by a supporter of the Government, was substituted for it, which is practically a Bill of indemnity, the original Decree not being materially modified: it was only passed at the end of September.

It was at one time proposed to make up the gold deposits for bank issues to their original amount, but as it was stated in the Chamber of Deputies in August last that they had been reduced to almost vanishing point (12,903,750$392 reis), the Government may be considered well advised in deciding to replace them by bonds bearing 4 per cent. interest in gold. One of the most important articles in the Law is, perhaps, that which stipulates that foreign banks must deposit 50 per cent. of their capital in Brazil, but this has previously been stipulated for in the charters of some foreign banks in Brazil.

The following is the text of this important Law, which was finally ratified on September 23, 1893, according to a translation published in the "Rio News":—

The Vice-President of the Republic of the United States of Brazil makes known that the National Congress decrees and I sanction the following resolution:—

Art. 1. Decree No. 1,167 of December 17, 1892, with the modifications comprised in this law and thus incorporated, is approved.

Art. 2. The fusion realised by a majority of votes in the respective assemblies of shareholders of the Banco da Republica dos Estados Unidos do Brazil with the Banco do Brazil, which constitutes a new establishment the Banco da Republica do Brazil, is approved.

Art. 3. The capital of the bank is limited to the sum of 190,000,000 milreis, which should be reduced within the period of 12 months to 150,000,000 milreis by the receipt and redemption of new shares in payment of debts, for which authorisation is given. The period of duration of the bank is 60 years.

Art. 4. The emission privilege of the bank is hereby cancelled, in which were incorporated, by the terms of Art. 4 of the decree of December 7, 1890, the privileges of the banks of emission, the right of emission being likewise cancelled of the Banco de Credito Popular, created by decree of December 23, 1890.

Art. 5. For the execution of the decree of December 17, 1892, in the part which provides for the unification of the bank emission, the Government is authorised to enter into an accord with the diverse banks of emission for the transfer of their issues and respective security deposits, in the sense of indemnifying them, for account of the recourses destined to the creation of a guarantee fund, for the advantages and rights which are thus annulled, all differences in favour of the banks to be carried to account of their respective debts with the Treasury.

The indemnification will be based upon the interest of the apolices deposited, when constituted in this species of security, or upon the interest of the apolices substituted for the metallic deposits, during the period of their privileges.

Art. 6. All the deposits of the banks of emission, existing in gold or in apolices, will be converted into apolices of gold capital and interest, of the nominal value of 1,000 milreis each, drawing interest at 4 per cent. per annum, payable half yearly.

The gold will be calculated at the exchange of the day of conversion, and the apolices at their nominal value.

Art. 7. The apolices will be entered in the name of the Banco da Republica do Brazil, which will assume, to the bearers, responsibility for the bank notes in circulation, reducing them to one common type within the period of 12 months, which can be extended at the discretion of the Government.

Art. 8. The interest on the apolices, paid to the Banco da Republica do Brazil, will be entered in a special fund, denominated "guarantee of emission," and set apart to cover the difference between the value of the deposits and of the notes.

The differences being covered, the Treasury will suspend paying interest. The guarantee fund cannot be employed in the ransactions of the bank, nor used by the Government, except in case of foreign war, by means of a previous authorisation of the legislative power.

Art. 9. In case of the amicable or judicial liquidation of the Banco da Republica do Brazil, the Government will assume responsibility for the notes emitted, causing them to figure as a preferred creditor over all other creditors in the guarantee fund.

The liquidation effected, the notes in circulation will be immediately substituted by Treasury notes or by metallic money, if at such time the national currency should be metallic, up to the value of the deposits, and the balance by what the guarantee fund shall produce.

In case the deposits and guarantee fund are insufficient, the Government will be responsible for the balance of the emission.

Art. 10. The Banco da Republica do Brazil is authorised to issue, up to the sum of 100,000,000 milreis cedulas (bonus) to bearer, of the value of 100 milreis to 1,000 milreis, interest-bearing, payable quarterly, and authorised for a period of 20 years, the amortisation beginning in the first year of the second quinquennium, and by quotas previously determined by the Government.

Sec. 1. The cedulas to bearer will be receivable at the public offices at their nominal value.

Sec. 2. The Government shall approve the model of the cedulas, which should bear the signature of the president, or that of whomever he shall designate, and of one director of the bank, in order that they may circulate.

Sec. 3. The payment of quarterly interest will be made upon the presentation of the document, and will be confirmed by stamping the back of the document.

Sec. 4. Excess of emission and any artifice or process employed for the removal of the stamp proving the quarterly payment of interest, will constitute the crime of counterfeiting.

Sec. 5. The bank will carry to account of its commercial section the loan made in its cedula section to the municipal council of the Federal district.

Art. 11. The emission of cedulas is destined specially to aid industrial undertakings of whatever nature, existing in good conditions of credit and development, one-third of the emission being for organised undertakings which are operating in the federal capital and the remaining two-thirds for those which, whether they have their head office in the federal capital or not, shall be established and operating in the States.

Art. 12. The Banco da Republica do Brazil will have an agency in London and agencies in the States in which there are banks of issue and will in due time establish agencies in other States.

It may also establish branches in the capitals of Europe and America whenever the necessity or advantage of establishing them shall be recognised.

Art. 13. The Banco da Republica do Brazil will be charged with the service of the internal national debt. The Treasury balances will be deposited in the bank and it will advance to the Government, on treasury bills up to the amount fixed by law, the money which may be required, on such terms as may be agreed upon.

Art. 14. The convertibility of the notes now in circulation will be in force whenever exchange is maintained at 2*s.* 3*d.* for one year, or when the Government paper shall cease to be legal tender.

Sole paragraph.—Until the convertibility shall be established the Law of May 29, 1875, in case of stringency in the money market, will continue in force and its maximum may be increased to double the amount now fixed.

Art. 15. The Government will enter into an agreement with the Banco da Republica do Brazil for the redemption or substitution of the Government paper money. The bank will have the exclusive right to issue notes at sight to bearer in the proportion of two to one in relation to the amount of gold deposited and these notes will be convertible into specie.

Art. 16. The contract made with the Banco da Republica dos Estados Unidos do Brazil for the redemption of the Government paper money is cancelled without compensation.

Art. 17. Time and an abatement in interest will be allowed to banks for settling their indebtedness to the Treasury.

Art. 18. The bank will organise its statutes in conformity with the present decree, submitting them to the approval of the Government. Its board of directors will be composed of nine members, of whom the president, the vice-president and one more director will be appointed by the Government and will hold office for the same period as the other directors.

Art. 19. The president may veto any measures of the board, which fail to meet his approval, in relation to the issue service. From this veto appeal may be had to the Minister of Finance, whose decision will be final.

Art. 20. All the money coined on Government account will be employed in the redemption and incineration of an equivalent sum in paper money. Coinage will be gratuitous while exchange is below 2*s.* 3*d.*

Art. 21. No bank of deposit or discount shall operate nor continue to operate unless at least 50 per cent. of its capital is actually paid up in Brazil. This provision embraces bank agencies and branches whose head offices are in foreign countries.

Art. 22. Provisions to the contrary are hereby repealed.

Federal capital September 23, 1893, fifth year of the Republic.

FLORIANO PEIXOTO,
Felisbello Freire.

Mint.

Mint. In 1891 and 1892 gold coins of 20 milreis and 10 milreis were coined to a limited extent, and a large number of nickel coins of 100 reis and 200 reis, as well as bronze coins of 20 reis and 40 reis; the old copper coins being now gradually withdrawn from circulation. In 1891 silver coins of 2 milreis and 500 reis were also coined by the State. In 1892 no silver was coined at the mint, but in 1888 and 1889 the Government encouraged the coinage of silver by private persons, charging a fixed seignorage of 9·863 per cent., a rate which barely covered expenses, and during the time that this regulation was in force 5,000,000 milreis (562,500*l.*) worth of silver was so coined; on which private individuals made a profit of about 40 per cent.; seeing which the Government decided to withdraw this privilege, and it is now proposed to follow the example of England with regard to the coinage of that metal. As a matter of fact only nickel and bronze coins are at present in circulation in Brazil, as a subsidiary to the paper currency, which ranges from 500 reis upwards. The late Finance Minister, Sr. Serzedello, would appear to be in favour of bimetallism, an opinion which is not however shared by the Director of the Mint; but it is stated in the report that no decision would be taken until after the monetary conference at Brussels, at which Brazil would be represented. It is suggested by the Director of the Mint that if silver does not fall in price on the London and New York markets (his report on the subject is

dated October 26, 1892) the silver coinage deposited at the Mint might be put into circulation as soon as the exchange is maintained with some firmness at 15*d.* or 16*d.* to the milreis.

Paper Money.

Paper money.

The report of Sr. Rodriguez Alves, the then Minister of Finance, published in May, 1892, states that the issue of paper money by the banks of issue, which on January 1, 1891, amounted to 187,554,300 milreis (21,099,859*l.*) had reached 346,115,960 milreis (38,937,948*l.*) by December 31, 1891. At the close of the same year the amount of Treasury notes in circulation was 167,611,397 milreis (18,856,282*l.*), making a total of 513,727,357 milreis (57,794,226*l.*).

By December 31, 1892, the amount of Treasury notes in circulation had increased to 215,111,964 milreis (24,200,100*l.*), and, as shown by the balance-sheet of March 31 last of the new Banco da Republica do Brazil, the Banco do Brazil issued 9,057,350 milreis (1,018,952*l.*) in notes, apparently without deposit.

The total amount of paper money in circulation would consequently appear to be as follows:—

Description.	Amount.	
	Currency.	Sterling.
	Milreis.	£
Banks of issue	346,115,960	38,937,948
Banco do Brazil	9,057,350	1,018,952
Treasury notes	215,111,964	24,200,100
Grand total	570,285,274	64,157,000

Since this was written the Banco da Republica do Brazil has published its balance-sheet up to September 30, 1893, which gives the following circulation of paper money and bonus on that date, Treasury notes of course not being included, and it is impossible to say what reduction in their issue, if any, has taken place since March last.

Description.	Amount.
	Milreis.
Issue of notes..	285,507,610
Issue of notes of the Banks of the Union ..	55,259,000
Issue of the late Banco do Brazil	7,917,350
Issue of bonus	29,259,000
Total	377,942,960

These figures show a reduction of about 15,400,590 milreis under the head of "Banks of Issue," and of 1,140,000 milreis under that of "Banco do Brazil," or 16,540,590 milreis in all. The bonus are those issued up to that date in virtue of the Bank Reform Law previously dealt with in this report.

As regards the security for the paper money issued by the banks of issue, it appears from the Finance Report of 1892 that of the total emission of 346,115,960 milreis (38,937,948*l.*), an amount of 264,914,460 milreis (29,802,877*l.*) was issued on a gold basis, and 81,201,500 milreis (9,135,071*l.*) on the basis of apolices. The gold deposited by the banks is stated on page 60 of this report to have amounted to 97,850,524 milreis (11,008,185*l.*) at the end of 1891; but on pages 25 and 27 it is explained that the Banco Emissor da Bahia had solicited the substitution of its gold deposit of 2,000,000 milreis (225,000*l.*), by apolices, and the total is there given as 95,850,528 milreis (10,783,185*l.*). On the following page, however, it is stated that this total must be further reduced by 39,857,000 milreis (4,483,917*l.*), which, as explained when dealing with the public debt, the Treasury employed in purchasing apolices of the 1889 internal loan. Consequently when the report was published in May, 1892, the actual gold deposits stood at only 55,993,528 milreis (6,299,268*l.*). The amount of notes authorised to be issued was up to three times the amount of gold deposited, but some few banks issued only up to twice the amount. With the above deductions, however, the average issue of paper money to gold in 1892 was about 4½ to 1, i.e., 264,914,460 milreis notes to 55,993,528 milreis gold.

The real security for the paper currency is now the credit of the Government, which under the Bank fusion law has given all privileges of emission to the new Bank, for whose solvency it is responsible. For the Treasury notes of course the State is also directly responsible.

The paper currency in Brazil, calculated on a population of 15,000,000, gives a circulation of 35 milreis (3*l.* 18*s.* 9*d.*) per capita, and while urging that the inconvertible currency could and should be reduced, it is necessary to bear in mind that the area of Brazil approximates that of all Europe; that it is the custom, especially in the interior, to hoard money; that Banks are few and far between; that the cheque system is almost non-existent, and that there is no clearing house to facilitate monetary transactions. The final abolition of slavery in 1888 has necessitated planters keeping considerable sums with them to pay labourers' wages on their estates, especially at the time when the crops are gathered. All these considerations justify a much larger circulating medium than in a small and highly organised country like England.

The Director of the United States Mint, in a report recently presented to Congress, calculates the circulation of money per capita in the following countries as follows:—

Country.	Amount.
	Francs.
France	202
Cuba	155
Low countries	143
Australia	133
Belgium	127
United States	122
England	67
Russia	35

The milreis, apart from considerations of exchange, represents as the monetary unit not more than a franc in France, hence the circulation of 35 milreis per capita appears not to be excessive.

Public Debt.

Public debt.

The public debt of Brazil may be classed under three heads, external funded, internal funded, and floating debt.

The nominal amount of the foreign debt on December 31, 1892, was 29,453,500*l.*, the nominal amount amortised up to the same date being 1,280,400*l.*

The following tables show the public debt classified as above :—

Table 1.—External Debt on December 31, 1892.

Description.	Primitive Capital.		Amortised Capital.		Nominal Amount in Circulation.
	Real.	Nominal.	Real.	Nominal.	
	£	£	£	£	£
4½ per cent. loan of 1883 falls due in 1922	4,000,000	4,599,600	510,151	613,300	3,986,300
4½ per cent. loan of 1888 falls due in 1925	6,000,000	6,297,300	239,453	304,900	5,992,400
4½ per cent. loan of 1889 falls due in 1945	17,213,500	19,837,000	261,293	362,200	19,474,800
Total	27,213,500	30,733,900	1,010,898	1,280,400	29,453,500

Table 2.—Internal Funded Debt on March 31, 1893.

Description.	Amount.	
	Currency.	Sterling.
	Milreis.	£
Funded debt under law 1827, 5 per cent. and 4 per cent.	386,595,400	43,491,982
National loan, 1868, at 6 per cent. ..	14,804,500	1,665,506
,, 1879, at 4½ per cent. ..	25,629,500	2,883,318
,, 1889, at 4 per cent. ..	109,694,000	12,340,575
Total	536,723,400	60,381,381

The funded debt of 1827 is made up as follows :—

Description.	Amount.	
	Currency.	Sterling.
	Milreis.	£
Bonds at 5 per cent. and 4 per cent. in paper	261,953,400	29,469,757
Bonds converted at 4 per cent. in gold ..	124,642,000	14,022,225
Total	386,595,400	43,491,982

As regards the loan of 1889, it appears that it has not yet been approved by the legislature, and for that reason is not inscribed in the Grand Livre of the public debt. The interest on the national loans of 1868, 1879 and 1889 is payable in gold.

Since May 31, 1891, the funded debt of 1827 has been increased by 9,638,800 milreis (1,084,365*l.*) for the purchase of the S. Paulo and Rio de Janeiro Railway, now incorporated in the Central Railway system; while it has been reduced by 4,686,500 milreis (527,231*l.*), bonds withdrawn from circulation, the net result being as shown above.

Table 3.—Internal Floating Debt.

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Debt previous to 1827	22,176$975	2,494
„ entered in the Grand Livre	135,994 460	15,290
„ not yet entered..	148,765 260	16,736
Treasury bonds	17,500 000	1,968
Orphan's chest loan	16,641,726 637	1,872,192
Estates of deceased or absent persons ..	4,106,352 647	461,965
Savings bank deposits	68,050,801 415	7,655,715
Monts de piété in Rio	1,113,170 104	125,230
Public deposits	5,959,506 176	670,444
Miscellaneous deposits	107,466,998 800	12,090,037
Total	203,662,992 474	22,912,071

From the three preceding tables it will be seen that the public debt on March 31, 1893, was as follows:—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Foreign debt	261,809,111$161	29,453,500
Internal funded debt	536,723,400 000	60,381,381
Floating debt	203,662,992 474	22,912,071
Total	1,002,197,503 635	112,746,952

On May 31, 1891, the total debt stood at 942,357,705$553 reis (106,015,241*l.*), and the above increase has taken place solely in the floating debt, which then stood at only 138,415,127$553 reis (15,571,701*l.*). Since then the savings banks and miscellaneous deposits have largely grown, the latter being chiefly deposits by banks of issue.

Unpaid Assets Due to the Government.

Unpaid assets due to the Government.

The unpaid assets due to the Government are given below:—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
Principal and interests of loans to the Republic of Uruguay	21,068,174$641	2,370,170
Bills accepted on account of the sale of the Ascension (Paraguay) Railway	135,718 980	15,269
Due by banks for loans for aids to agriculture	46,150,000 000	5,191,875
Advances of 2 per cent. guarantee to railway in Bahia, Pernambuco, and S. Paulo	19,183,516 183	2,158,145
Arrears of taxes	23,496,146 998	2,643,366
Liabilities of the Banco da Republica do Brazil	123,578,927 543	13,902,525
Total	233,612,484 345	26,281,350

The liabilities of the newly created Banco da Republica do Brazil given above represent the amount due to the Government by the two banks upon their fusion, calculated up to December 31, 1892. On that date the Banco da Republica dos Estados Unidos do Brazil owed 58,952,255$012 reis (6,632,128*l.*), the balance being the debt of the Banco do Brazil.

Further debtors are stated to be the Commercial Association of Rio de Janeiro, and the States of Sergipe and Piauhy, for ad-

vances which the Government was obliged to make a guarantor of the contracts for raising loans, the former abroad, and the two latter with the Banco da Lavoura e Commercio in Rio.

It appears from a footnote in the Finance Minister's report that only 18,350,000 milreis of the national loan of 1889 are actually in circulation, out of the total issue of 109,694,000 milreis. As regards the balance, 51,487,000 milreis bonds were deposited at the Treasury as security for issues by the banks, and as stated elsewhere in this report, the Treasury acquired as well 39,857,000 milreis with the gold deposited by the banks; these two amounts should therefore be deducted, it would seem, in order to arrive at the total indebtedness of Brazil, which appears to be as follows :—

Description.	Amount.	
	Currency.	Sterling.
	Reis.	£
External and Internal Debt..	910,851,503$635	102,470,790
Paper money issued by banks	355,173,310 000	39,956,900
Treasury notes	215,111,964 000	24,200,100
Total	1,481,136,777 635	166,627,790
Deduct unpaid assets	233,612,484 345	26,281,350
Grand total	1,247,524,293 290	140,346,440

In summing up the national debt at the fall of the Empire, in his report dated December 28, 1889, Sr. Ruy Barbosa, the then Minister of Finance, estimated the actual balance of debt at 1,011,362,571$223 reis (113,778,289*l.*).

Commercial Report.

General Review of 1892.

General review of 1892.

From a commercial point of view, according to one of the leading organs of the Press in Rio, the year 1892 showed considerable improvement over preceding years. The year opened with stocks of most articles much depleted, and the commercial movement on the import markets during the first six months was almost the greatest ever known at Rio. This favourable movement continued until about August, when the block on the Central Railway paralysed the import trade for a time, but in December the imports rose largely in view of the increased duties to be applied in 1893, and of the impending revision of the customs tariff, which is taken to be a synonymous term for its

increase; and the same causes continue to operate to some extent at present. The export trade was considered equally satisfactory, high prices reigning for coffee, but though the balance of trade may have been favourable, the necessities of the Treasury and of public companies, &c., who owe money abroad, made the balance of payments an unfavourable one. It is asserted by competent persons that the disorganisation which prevailed on the Central Railway, belonging to the State, caused far more injury to commerce than the low exchange, but strenuous efforts have been made to accelerate the despatch of goods, and the rolling stock is being, and will be, further increased. At the same time a sliding scale of rates according to the exchange has been adopted on the Central and Leopoldina Railway systems; a measure fully justified by the high price of coal and enhanced salaries now paid, as well as by the high (currency) price of coffee. The troubles in Rio Grande, the difficult position of the National Treasury, and the uncertainty felt about the result of the recent bank reform legislation, are the dark spots in the current year. The year 1892, says the retrospect of the "Jornal do Commercio," unlike its predecessors, was not marked by the formation of large companies to buy up enterprises of every kind. It was rather a year of liquidation, and scandals, the tendency being to reduce capitals, and break up great corporations, *e.g.*, the separation of the Leopoldina Railway Company from the Geral Company; and the Companhia Frigorifica or frozen meat company, which reduced its capital from 60,000,000 milreis (6,750,000*l.*) to 18,000,000 milreis (2,025,000*l.*). Few loans were raised abroad during the year, and those on very onerous conditions. The Minister of the Interior in his report states that the general aspect of Brazil in the year 1892 was one of "laborious tranquillity" (*laboriosa tranquillidade*).

Import Duties.

Import duties.

The Budget Law for 1892, passed on December 30, 1891, abolished the payment of import duties in gold. The same law modified the duties as follows:—10 per cent. additional on the fees for clearing duty-free goods levied on porterage, warehousing, light and dock dues; 50 per cent. additional on import duties on articles of consumption, excepting dried cod and other dried fish, dried meat, beans, maize, rice, and common or cooking vinegar; 60 per cent. additional on wines, beer, alcoholic beverages, liqueurs; cotton, and manufactures of wool; flax, silk and manufactures of these materials.

The Budget Law for 1893 made the following further modifications:—

Modifications to the Customs Tariff of October 11, 1890.

I.—*Importation.*

Importation.

The duty on matches has been trebled.

The following goods shall pay a surtax of 30 per cent.:—

The silk tissues enumerated in Nos. 602 to 635, on compliance with the prescriptions of Art. 12 of the preliminary dispositions; the tissues of pure linen mentioned in Nos. 562 to 598, excepting the yarns mentioned in Nos. 558 to 561; articles of fashion, such as lace, fringes, feathers, artificial flowers, embroidery, nets, belts, ribbons, "grecques," galloons, bows, embroidered bands, and, in general, all articles recently introduced into commerce, much sought after, and having their value especially owing to their novelty; fancy clothing, fancy boots and shoes, *i.e.*, combined with fine ornaments which can be detached without effecting their utility or use, including special boots and shoes for pedestrian tours, picnics, &c., even when they are of leather; the articles of glass enumerated in No. 2 of Note 74 to No. 695; the fine porcelain mentioned in No. 6 of Note 74 to No. 695; the sparkling wines mentioned in the first sub-division of No. 132; costly furniture, gilt, lacquered, with important artistic ornaments, with incrustations of ivory, mother-of-pearl, &c.; furniture covered with tissues of silk, velvets, or other costly stuffs; furniture of fine woods, such as oak, maple, walnut, satin, rose, thuja, and other similar fine woods; the manufactures of marble and other stones enumerated in Nos. 653 and 670; the manufactures of metal, silvered or gilt, comprised in Classes XXIII, XXIV, and XXV of the tariff; the painted paper or wall-paper mentioned in No. 649.

The surtax on daggers and sword-sticks is superfluous, as the importation of these articles is prohibited; this is also the case for the surtax applicable to healing substances ("panaceas") which products are not specially mentioned in the tariff.

The following articles shall enjoy a rebate of 30 per cent.: machines, agricultural instruments; tools for artisans; raw materials, dye-stuffs, and chemical products employed in industry, as well as all other necessary articles for manufactories.

The duty on cattle has been abolished.

The clearance dues on duty-free articles has been raised to 10 per cent.

The porterage dues have been raised to 50 reis and to 100 reis.

The warehouse dues have been respectively raised to 1, 2, and 3 per cent.

II.—*Surtaxes.*

Surtaxes. The surtaxes on the import duties on articles of consumption, established by the Law of December 30, 1891, are maintained.

A surtax of 10 per cent. shall be levied on the fees for clearing goods admitted free of consumption duties and likewise on porterage, warehousing, light and dock dues, respectively.

III.—*Exportation.*

Exportation. Gunpowder manufactured for the Government, and precious metals in dust, ingots, bars, or in manufactured articles, shall be

subject, when exported, to a duty of 2½ per cent.; gold in bars, cast at the Mint, shall pay a duty of 1½ per cent.

The Budget Law for 1894 does not materially alter the customs tariff. The duty on matches is trebled, that on coarse salt and tobacco is doubled; while machinery used in sugar manufacture is exempted from duty. The existing surtaxes are maintained. It was at one time feared the Government would decree the payment of customs duties in gold, and petitions were presented to Congress against this project, which has not been adopted, and duties are still payable in paper money.

As regards the above reductions of 30 per cent. on agricultural and mining implements and machinery, a circular of the Ministry of Finance in January last explained that this was an oversight, as they were already exempt from duty under articles 1,009 and 1,024 of the tariff, and that, as regards the other reductions, an explanation of the Legislature was necessary.

With regard to these increased duties in 1892 and 1893, it is necessary to bear in mind that previous to the former year the import duties were levied in gold, a system which was found both unpopular and inconvenient in practice; hence from the depreciation of the currency the duties are if anything lower than they were when the tariff was framed on October 11, 1890. The report states that, as the Budget Law for 1893 foreshadowed the adoption of maximum and minimum tariffs as in force in France, a delegate had been sent to Europe to study the question and report as to the advantages and disadvantages of the system. A Commission of three experts is at present engaged in studying the question of the revision of the Customs Tariff, and the various custom-houses of the Union have been instructed to furnish them with all the information they may require, and at the same time manufacturers have been applied to with the same object, specifying the points on which information is desired by the Commission, who are eventually to present their report to Congress. Until this has been done it is probable that no important changes will be made in the tariff, and no progress made in contracting commercial treaties with foreign Powers. The Convention between France and Brazil, signed at Rio on January 31, 1891, was not ratified by Congress in July of this year, chiefly on the ground that France imposes high duties on coffee and other Brazilian products, and had no concessions to offer to Brazil in return for the Convention. It is expected that the commercial treaty negotiated on January 14, 1892, between Portugal and Brazil, alluded to in Annual Series No. 1136, will meet with the same fate when the question of its ratification comes before Congress. The negotiations for a treaty of commerce with Uruguay have fallen through for reasons stated in the report of the Ministry for Foreign Affairs for 1893. It is well known that there is an extensive smuggling on the frontier with Rio Grande do Sul. There was some question last year of a treaty of commerce with Chile, who is apparently anxious to find an outlet for

her wine, but nothing has come of it. It is understood that the proposed Consular invoices have been definitely abandoned on account of the great opposition they excited, as the import duties are in Brazil levied chiefly by weight and not "ad valorem," as in the United States; the Brazilian Government have shown a very conciliatory spirit in making this concession.

Custom-house Revenue.

Custom-house revenue

To show the extent to which the principle of indirect taxation is adopted in Brazil it will be only necessary to state that, in 1891, out of the total revenue from all sources of 228,619,779 milreis (25,719,565*l.*), no less than 174,780,055 milreis (19,596,834*l.*) was collected by the custom-houses of the Republic.

The income derived from customs duties on imports has been steadily growing (partly owing of course to increased duties), as the following tables show:—

Year.	Amount.	
	Currency.	Sterling.
	Milreis.	£
Import duties only—		
1889..	90,216,071	10,149,308
1890..	100,487,442	11,304,837
1891..	106,217,526	11,949,471
1892..	131,175,103	14,757,200
1893 (first quarter)	47,973,315	5,396,970

IMPORT Duties Collected by Rio Custom-house.

Year.	Amount.	
	Currency.	Sterling.
	Milreis.	£
1889	48,947,325	5,506,573
1890	50,157,404	5,642,707
1891	71,149,849	7,993,108
1892	84,394,201	9,494,325
1893 (first half year)	53,164,830	5,981,043

The total value of the imports through the Rio custom-house in 1890 was 167,224,881 milreis (18,812,800*l.*). The value of the exports from Rio reached 138,571,433 milreis (15,589,236*l.*) in 1890, but fell to 108,439,286 milreis (12,199,420*l.*) in 1891, which is chiefly accounted for by a smaller export of gold, and also of coffee. These figures, which are the most recent obtainable, prove the commercial supremacy of the port of Rio over other Brazilian ports.

EXPORTS and Imports at Rio de Janeiro with Various Countries in 1890.

	Exports.		Imports.	
	Currency.	Sterling.	Currency.	Sterling.
	Milreis.	£	Milreis.	£
Great Britain	25,485,888	2,867,972	51,778,251	5,825,054
United States	73,631,417	8,283,534	15,242,916	1,714,828
France	8,848,748	995,484	22,869,627	2,572,832
Germany	12,983,407	1,460,633	17,746,195	1,996,447
Italy	1,428,893	160,650	1,533,904	172,564
Portugal	371,350	41,777	8,439,526	950,446

The exports to Great Britain included 20,636,460 milreis (2,321,601*l.*) gold in bars and coin, and 4,625,021 milreis for coffee. The exports to the United States from Rio included no less than 73,014,522 milreis (8,214,134*l.*) for coffee. The imports of wine from France show a tendency to decrease, while those of Portugal are more largely imported every year. Italian imports are increasing, owing chiefly to the large number of Italian immigrants which come to Brazil every year. The specie imported from Great Britain in 1890 amounted to 6,639,585 milreis (746,952*l.*), but even after making that deduction it will be seen that British imports greatly exceed those of any other country, France, Germany, and the United States being her closest competitors.

As regards the colonies, it may be remarked that large quantities of codfish (which with jerked beef form the staple articles of food among the poorer classes of Brazil) were imported from Canada, whose chief competitor in this trade is Norway, and to a less extent the United States.

To the Cape of Good Hope nearly 100,000 bags of coffee were exported last year.

Rice is largely imported in sailing vessels from Rangoon, and undersells Brazilian rice. In 1890, 668,775 sacks of rice were so imported at Rio, and in 1892, 991,205 sacks, and if Chinese immigration becomes an accomplished fact the demand for it will become still larger no doubt.

The homeward bound steamers of the Shaw Savill and New Zealand Shipping Companies call at Rio once a month each to coal and bring New Zealand mutton, butter, bacon, cheese, apples, &c., for which there is a considerable demand, and there seems to be no reason why this trade should not be further developed. Mutton in Brazil is not only scarce but of very inferior quality, and a company (Companhia Frigorifica), formed to bring frozen meat from the River Plate, is in a very critical condition, as all the steamers of the line have been seized by the insurgents at Rio, and converted into armed transports (October, 1893). At present butter is chiefly imported from France, and

also from Denmark, and commands a high price, fresh butter being hardly obtainable. Apples come mostly from the United States and are very dear. It would perhaps be advisable to establish a depôt at Rio, where a considerable number of frozen carcases could be stored and removed when required, as the steamers only call once a fortnight, and at present the meat has to be disposed of immediately after the arrival of the steamer.

TABLE showing the Value of the Principal British Imports through Rio de Janeiro during the Year 1890.

Articles.	Value.	
	Currency.	Sterling.
	Milreis.	£
Cotton goods	16,258,725	1,829,106
Coal	6,815,880	766,787
Machinery	2,929,920	329,615
Iron and steel	4,290,740	482,708
Leather goods	1,598,700	180,978
Copper and its alloys	852,260	95,880
Woollen goods	3,955,924	445,050
Flax and jute..	1,412,420	158,900
Indian tea	205,500	23,120
Wheat and wheat flour	120,000	13,500
Cutlery	212,250	23,878

Perfumery, dyeing, and painting materials, chemicals and medicines were also largely imported.

TABLE showing the Total Importation of Textiles at Rio de Janeiro during the Year 1890.

Articles.	Value.	
	Currency.	Sterling.
	Milreis.	£
Cotton goods	23,873,568	2,685,775
Woollen goods	8,728,790	981,910
Machinery	4,468,320	502,685
Linen and jute	3,164,952	355,950
Leather goods	3,759,398	422,932
Iron and steel	7,030,400	790,920

To the total of imports from Great Britain should be added goods, valued at 6,612,000 milreis (743,850*l.*), imported by companies and others entitled to claim exemption from customs duties.

The Board of Trade returns show the total trade of Brazil with the United Kingdom for the 5 years 1887 to 1891 to have been as follows:—

	Value.				
	1887.	1888.	1889.	1890.	1891.
	£	£	£	£	£
Exports to Great Britain ...	5,379,073	5,206,899	5,090,628	4,350,675	4,249,909
Imports of British produce ...	5,824,408	6,256,297	6,232,316	7,458,628	8,290,039

In 1891 cotton manufactures, valued at 2,573,083*l.*, came from Great Britain, wrought and unwrought iron for 1,045,546*l.*, machinery for 1,091,442*l.*, and woollen manufactures for 418,428*l.* The principal exports to Great Britain in 1891 were:—India-rubber, 1,765,450*l.*; raw cotton, 681,005*l.*; coffee, 592,890*l.*; and unrefined sugar, 306,912*l.*

Recent Board of Trade returns show that during the 8 months —January to August—the value of the exports from Great Britain to Brazil rose from 4,269,929*l.* in the same period in 1892 to 5,491,385*l.* in 1893, an increase of 1,221,456*l.*, or about 26 per cent. Increases are noticed in almost all articles, especially in cotton goods. Decreases are shown in coal, iron in bars, and manufactures of iron, woollen goods, and tinplates. This satisfactory state of things can hardly be maintained for the last 4 months of this year, as owing to the revolt in Brazil customs receipts since September have shown a decrease compared with 1892, instead of an increase as heretofore over the corresponding month of that year. Exports have decreased as well as imports. A considerable quantity of coffee is being shipped (October), in spite of local difficulties and risks.

The "Diario Official" of October 17 published the following statistics, which are of interest, as showing for the first time, I believe, since the formation of the Republic, the receipts of each custom-house in the union in a tabulated form; they include not only import duties, but all taxes and dues levied by the custom-house.

Receipts of the Custom-houses in Brazil from 1889–92.

States.	Custom-houses.	1889.	1890.	1891.	1892.
		Milreis.	Milreis.	Milreis.	Milreis.
Alagoas	Maceió	794,786	1,382,658	1,615,178	1,309,335
Idem	Penedo	..	..	..	119,797
Amazonas	Manáos	1,480,348	2,131,898	2,522,952	1,984,252
Bahia	S. Salvador	8,816,927	11,512,608	13,282,127	11,880,219
Ceará	Fortaleza	1,979,128	3,327,642	2,796,609	2,823,808
Espirito Santo	Victoria	263,435	489,402	647,660	162,233
Maranhão	S. Luiz	2,273,973	2,822,570	2,435,065	3,477,057
Matto Grosso	Corumbá	499,276	734,571	585,971	397,236
Pará	Belém	7,365,832	9,764,355	10,371,746	9,945,347
Parahyba	Parahyba	599,328	628,070	749,199	585,231
Paraná	Paranaguá	641,096	1,019,841	1,030,041	1,086,533
Pernambuco	Recife	9,555,709	11,854,238	12,978,190	12,898,104
Piauhy	Parnahyba	300,594	653,026	258,209	121,818
Rio Grande do Norte	Natal	182,802	619,397	665,932	281,764
Rio de Janeiro	Capital Federal	58,979,675	60,556,234	80,635,123	82,671,887
Santa Catharina	Desterro	674,814	1,028,870	838,127	1,201,750
S. Paulo	Santos	15,501,205	25,618,390	34,799,671	20,000,000
S. Pedro do Sul	Porto Alegre	..	..	..	..
Idem	Rio Grande do Sul	4,514,042	10,830,007	8,071,544	6,539,957
Idem	Uruguayana	..	..	..	460,043
Sergipe	Aracajú	99,906	437,660	496,711	623,479
Total	..	114,513,876	144,911,464	174,780,055	158,569,250

Congress has recently decreed the creation of custom-houses at Juiz da Fora and S. Paulo.

Customs Convention with United States of America.

Customs Convention with United States of America.

Considerable alarm having been caused in England by the serious injury which it was feared might result to British trade from the Customs Convention between Brazil and the United States, signed on January 31, 1891, and which came into force on April 1 of that year, it will not be superfluous to give some official statistics as to the actual trade between those countries since that date. They will, I think, serve to allay those fears in great measure. In a report from the Brazilian Minister in Washington, published in the report of the Ministry for Foreign Affairs for 1893, it is stated that:—"Contrary to what was expected here and in Brazil, our Customs Convention has only benefited Brazil; American statistics have now shown that while the exports from the United States to Brazil during the 14 months from April 1, 1891, to May 31, 1892, compared with the 14 preceding months, have only risen from 16,080,134 dol. (3,216,026*l.*), to 16,991,662 dol. (3,398,332*l.*); the exports from Brazil to the United States during the same period rose from 94,913,078 dol. (18,982,615*l.*), to 135,210,221 dol. (27,042,044*l.*). The increase during the first 14 months of the Convention being therefore only 911,488 dol. (182,297*l.*) for the United States, while it was no less than 40,297,143 dol. (8,059,428*l.*) for Brazil." In this total coffee figures chiefly, but it is noticeable that the importation of Brazilian sugar between April, 1891, and December, 1892, amounted to 115,185 tons, as against 71,261 tons from July, 1889, to March, 1891.

In the early part of this year the American Legation at Rio succeeded in obtaining the remission of the expediente or surtax, payable on all duty-free articles of import, and which now amounts to 10 per cent. This gives a further advantage to American products, such as wheat flour. The Austrian Legation has endeavoured in vain to obtain some concessions for flour imported from the ports of Trieste and Fiume, a trade which, it was stated, was almost annihilated by the competition with the duty-free American flour. It is now said that Uruguay is trying to obtain the remission of the duty on flour from that Republic. This very keen competition, however, is quoted by some supporters of the Convention as one of its chief benefits to Brazil in lowering the prices of many of the necessaries of life. At the same time some native industries must be injuriously affected, such as cotton manufactures, lard, maize, timber, and furniture; while it may be said that the United States of America would in any case have to buy Brazilian coffee and indiarubber, even if heavy duties were imposed, Brazil having a half share at least in the world's production of these commodities. It may be said, perhaps, that the

chief opposition to the Convention is in both countries chiefly political. In Brazil the opponents of the Government point to the Convention not having been submitted to Congress for approval. In the United States the Democratic party now in power may feel inclined to undo the work of their political opponents, with whose protectionist policy they are supposed to have little sympathy. In any case, though it is unsafe to hazard a prediction, it seems probable that the initiative will come from the United States, if the Convention is to be denounced. It may be mentioned that the amount of customs duties remitted in Brazil under the Convention reached about 1,400,000 milreis (157,500*l.*) in 1892.

The New York "Commercial Bulletin" of April 29 says that the exports of cotton goods to Brazil during the 8 months ending February, amounted to 10,675,000 yards in 1893, against 4,860,000 yards in the same period in 1892. The Board of Trade returns recently issued show that the exports of cotton goods to Brazil from Great Britain during only the 3 months ending March 31, 1893, were 62,796,000 yards compared with 42,603,000 yards during the same time last year. In other words, while British cotton exports increased 20,000,000 yards in 3 months, United States cotton exports increased only 6,000,000 yards in 8 months. There must, therefore, be some reason other than reciprocity alone, which induced Brazil to buy United States cottons more freely. The Board of Trade returns published since then show that for the first half year of 1893 the increase of cotton exports from England to Brazil amounted to 33,100,000 yards.

The United States and Brazil Mail Steamship Company which received a subvention from the Brazilian Government has recently failed, and the steamers of the line have been sold at New York for the benefit of the creditors there. This Company owed large sums to their former agents in Brazil, a well known English firm, who tried to put an embargo on one of the steamers, but unsuccessfully, with the result above stated. Messrs. Lamport and Holt fill very efficiently the blank left by the defunct company, which will no doubt shortly recommence operations under a new name; but this contretemps will hardly serve to stimulate commercial relations between the two great Republics of North and South America. It is understood that the Company is about to be restarted by some members of the old board, who purchased the five fine steamers for a mere song.

The following statistics are taken from the second annual report of the Bureau of the American Republics, issued in January, 1893:—

TOTAL Commerce between the United States of America and Brazil for the Fiscal Year ending June 30, 1892, not including Exports of Gold, Silver, and Bullion.

	Amount.	
	Currency.	Sterling.
	Dollars.	£
Imports from Brazil	118,633,604	23,726,720
Exports to Brazil	14,291,873	2,858,374
Excess of imports over exports	104,341,731	20,868,346

TOTAL Commerce for the last Three Years compared, between Brazil and the United States of America.

Year.	Amount.	
	Currency.	Sterling.
	Dollars.	£
In 1890	71,290,770	14,258,194
1891	97,350,841	19,470,168
1892	132,925,477	26,585,095

IMPORTS for the last Three Years compared, from Brazil to the United States of America.

Year.	Amount.	
	Currency.	Sterling.
	Dollars.	£
In 1890	59,318,756	11,861,751
1891	83,230,595	16,546,119
1892	118,633,604	23,726,720

EXPORTS for the last Three Years compared, from the United States of America to Brazil.

Year.	Amount.	
	Currency.	Sterling.
	Dollars.	£
In 1890	11,972,214	2,594,442
1891	14,120,246	2,824,049
1892	14,291,873	2,858,374

EXPORTS of certain Articles from the United States of America to Brazil for the Eleven Months ending November 30, 1891, and November 30, 1892, respectively, showing the Reductions granted in Brazil under the Convention.

Description.		Amount.	
		1891.	1892.
		Dollars.	Dollars.
Agricultural implements	Free	43,022	31,591
Wheat flour	„	3,930,087	4,162,070
Carriages and cars	25% reduction	736,833	404,359
Coal	Free	138,464	63,822
Manufactures of cotton	25% reduction	453,497	894,356
Builders' hardware, saws, and tools	„ „	49,877	145,631
Sewing machines	Tariff	73,770	63,098
Steam engines and machinery	Free	2,225,312	658,075
Fruits, nuts, hops, and seeds	25% reduction	6,744	9,802
Leather	„ „	2,259	5,088
Resin, tar, pitch, and turpentine	Free	226,155	214,466
Refined petroleum	Tariff	956,486	1,150,476
Cottonseed-oil	Free	30,378	114,113
Canned, salted, pickled, and other cured beef and tallow	25% reduction	15,132	23,995
Bacon	Free	758,897	243,185
Hams	25% reduction	1,817	1,618
Fresh and pickled pork	Free	5,951	1,129
Lard	25% reduction	917,812	327,334
Butter	„ „	13,376	18,983
Cheese	„ „	349	679
Tobacco and manufactures of	Tariff	4,067	1,011
Lumber and timber for building	25% reduction	619,150	534,671
Furniture and other manufactures of wood	„ „	168,387	97,800

NOTE.—With regard to the large importation of machinery in 1891 it should be borne in mind that that year was characterised by excessive speculation in company promoting, and that much of the machinery then imported was not utilised at the time.

Cotton.

Cotton. An increased amount of Brazilian cotton is imported annually at Rio de Janeiro, not only for the mills in that State, but also for those in Minas Geraes and S. Paulo. Altogether 85,309 bales of cotton were imported at Rio in 1892, of which 49,525 bales came from Pernambuco. The prices for 10 kilos. ranged from 9$700 reis to 9$800 reis in June and July to 7$200 reis to 7$400 reis in October, at which period the exchange was respectively lowest and highest in the year. The low exchange prevailing is no doubt very favourable to native mills on the whole, though they have to pay dearer for imported machinery, coal, &c., and higher wages, owing to the present greatly enhanced cost of living.

About one-fifth of the cotton grown in Brazil is used in the

country, the remainder is exported chiefly to England and Russia, and a little to Portugal. Though not quite equal to Egyptian, it is superior to North American cotton, and in proof of this Mr. Williams, British Vice-Consul at Maceio, states that some cotton is shipped from that port for the New Bedford Mills, United States of America, which require a very fine quality of cotton

Coffee.

Coffee.

The final and premature abolition of slavery in 1888, without any compensation to slave owners, caused less disturbance economically and socially than in any other country, perhaps, in the history of slave emancipation, and this fact speaks volumes for the natural resources of Brazil. It is true that this event had been to some extent discounted by the importation of free labour before that date, and though the "fazendeiros" received no direct compensation, they may be said to have received a certain equivalent in the shape of State-aided immigration on a large scale, and of loans in aid of agriculture, while the coffee planter, from his preponderating influence in the Legislature, has proved the spoiled child of successive Ministers of Finance, and has not been hampered by the onerous taxation of land customary in most old countries. At present the labour question is said to be approaching a solution in the State of S. Paulo, though there is ample room for genuine colonisation. However, the loss caused by the scarcity of hands to pick the coffee berry in the Rio de Janeiro coffee zone alone was calculated at no less than 300,000 bags in 1892. The value of the coffee exported from Brazil in 1891 was estimated by competent authorities at 22,000,000*l.*

DIRECT exports from Victoria, State of Espirito Santo, for the last Three Crop Years.

To—	Bags of 60 Kilos. each.		
	1892-93.	1891-92.	——
Europe	39,300	10,950	18,500
United States	146,306	94,320	43,717
Total	185,606	105,270	62,217

The following valuable statistics as regards the coffee export of Rio and Santos are taken from the "Rio News":—

COMPARATIVE Statement of Exports of Coffee from Santos during the past Eight Crop Years.

Destination.	Bags of 60 Kilos. each.							
	1885–86.	1886–87.	1887–88.	1888–89.	1889–90.	1890–91.	1891–92.	1892–93.
Channel and United Kingdom	29,341	249,350	29,962	70,488	59,337	51,952	113,693	48,236
Hamburg and Bremen	429,206	556,855	354,513	660,600	502,394	824,670	914,961	870,860
Havre and Bordeaux	286,987	534,392	231,275	619,919	394,396	511,766	854,197	539,441
Antwerp and Holland	208,634	276,283	136,107	426,165	384,250	499,306	566,646	463,918
Lisbon	4,514	36,165	5,000	..	..	..	25	..
Mediterranean	219,152	264,552	121,559	247,239	199,483	355,722	150,146	366,023
Total Europe	1,177,834	1,917,597	878,416	2,024,411	1,539,860	2,244,417	2,599,668	2,288,478
United States	474,740	555,680	428,072	521,493	520,659	805,883	986,356	1,118,789
Rio and coastwise	4,938	5,304	3,376	962	1,257	1,797	2,118	4,231
Total	1,657,512	2,478,581	1,309,864	2,546,866	2,061,776	3,052,097	3,588,142	3,411,498

Total Foreign Clearances of Coffee from Rio for the last Three Crop Years.

Destination.	Bags.		
	1892–93.	1891–92.	1890–91.
United States.			
New York	1,463,397	2,230,217	1,290,422
Baltimore	197,225	158,772	153,600
Richmond	..	13,168	1,550
New Orleans	217,011	139,907	127,475
Galveston	6,654	38,271	18,897
Total	1,884,287	2,580,335	1,591,944
Europe.			
Channel f.o.	..	..	2,500
Havre	79,153	97,125	57,539
Antwerp	32,500	80,350	24,852
North of Europe and Baltic ..	262,490	323,696	217,567
England..	80,114	73,979	62,282
Bordeaux	3,530	5,432	3,266
Portugal	267	1,279	71
Mediterranean	317,343	401,787	247,791
Total	775,397	983,648	615,868
Elsewhere.			
Cape of Good Hope	92,401	113,070	63,800
River Plate and West Coast ..	56,572	48,765	46,929
Total	148,973	161,835	110,729
United States	1,884,287	2,580,335	1,591,944
Europe	775,397	983,648	615,868
Elsewhere	148,973	161,835	110,729
Grand total	2,808,657	3,725,818	2,318,541

TOTAL Foreign Clearances of Coffee from Rio for Six Months in the Years 1891–93.

Destination.	Bags.		
	1893.	1892.	1891.
UNITED STATES.			
New York	584,741	1,105,776	593,267
Baltimore	111,317	90,776	79,106
Richmond	..	7,764	800
New Orleans	87,032	45,129	29,266
Galveston	3,275	15,132	5,857
Total	786,425	1,264,577	708,296
EUROPE.			
Channel f.o.	..	..	2,500
Havre	26,481	22,256	30,726
Antwerp	12,400	25,806	11,879
North of Europe and Baltic ..	112,391	108,434	82,796
England	39,286	12,221	28,875
Bordeaux	1,180	2,654	1,799
Portugal	..	835	57
Mediterranean	143,141	114,096	86,706
Total	334,879	286,302	245,338
ELSEWHERE.			
Cape of Good Hope	47,600	31,650	15,700
River Plate and West Coast ..	29,296	20,459	16,710
Total	76,896	52,109	32,410
United States	786,425	1,264,577	708,296
Europe	334,879	286,302	245,338
Elsewhere	76,896	52,109	32,410
Grand total	1,198,200	1,602,988	986,044

CLEARANCES of Coffee, Foreign, from Rio de Janeiro for the last Seven Crop Years.

	Bags of 60 Kilos.			
	United States.	Europe.	Elsewhere.	Total.
1892–93	1,884,287	775,397	148,973	2,808,657
1891–92	2,580,335	983,648	161,835	3,725,818
1890–91	1,591,944	615,868	110,729	2,318,541
1889–90	1,735,358	575,784	140,091	2,451,233
1888–89	2,344,796	1,296,500	146,530	3,787,646
1887–88	1,337,222	434,553	114,796	1,886,571
1886–87	2,065,802	1,190,360	136,486	3,392,648

An increasing amount of coffee is exported from Bahia every year.

According to another authority the Rio export from July 1, 1892, to June 30, 1893, was somewhat larger than that given above, viz. :—

To—	Number of Bags.
United States	1,966,898
Europe	820,060
Cape of Good Hope	96,901
River Plate and sundries	59,332
Total	2,943,191

The crop year, I am informed by a well-known exporting house, began with high prices and a poorly-supplied market. The quality of the past crop was again disappointing. The estimate for the 1893-94 crop may be put at about 3,000,000 bags; a good flowering in January and February having increased the former estimate of 2,700,000 bags. From January 1, 1893, it has been arranged with the "ensaccadores" to adopt a larger bag of first quality, sewn with stronger string, and it is said that the new bag not being so full as the old one is less likely to burst, and it will stow better. Complaints in foreign markets for shortage led to this innovation.

The stock at Rio on June 30 was 117,000 bags.

Indiarubber.

Indiarubber. Indiarubber is one of the principal articles of exportation in Brazil, indeed it is said to amount to half the total production in the world, and the quantity exported is steadily growing. In

1881 only 8,427,428 kilos. (80,065 tons), value 20,148,578 milreis (2,266,715*l.*), were exported through the custom-houses of Para and Amazonas, as against 16,891,838 kilos. (160,474 tons), value 54,000,505 milreis (6,075,057*l.*), in 1891. Of this the greater part went to the United States and to England. A small amount of indiarubber is exported from the State of Matto Grosso by the River Parana, chiefly to England. The heavy export duties of about 25 per cent. have not as yet affected the trade of this valuable product.

Coasting Trade (Cabotage).

Coasting trade (cabotage).

Proposals have been made from time to time to restrict the coasting trade of Brazil to native vessels, but it was only last year that a Law was passed by Congress and sanctioned by the President, on November 11, 1892, dealing with this subject. This Law is to come into force two years after that date, but doubts are expressed as to whether the mercantile marine of Brazil, in its present state, will be prepared in so short a time to undertake this new monopoly. At any rate trade will hardly be carried on as cheaply and expeditiously as with the present keen competition, for in spite of her extensive seaboard Brazil is not a maritime nation. The Lloyd Brazileiro and the Companhia Costeira are at present the principal steamship companies; the former is subsidised already, and the latter company, which carries on an efficient and rapid service between Rio and southern ports, have lately extended their itinerary northward to Pernambuco. It is understood that they hope to obtain a considerable subvention on the ground that their steamers form an excellent nursery for the mercantile and national marine. At present the commanders and engineers of the line are Englishmen by birth, although they have become naturalised citizens of this country. Some of these steamers are to be fitted so as to carry quick-firing guns, and act as cruisers if necessary.

The following is a translation of the Law regulating the coasting trade of Brazil:—

Art. 1. The coasting trade can only be carried on by native vessels.

Art. 2. By coasting trade is understood that which has for its object direct communication and trade between the ports of the Republic, within the waters of those ports and of the rivers which traverse the territory of the Republic.

Art. 3. In order that a vessel may be considered native it is necessary—

1. That she be owned by a Brazilian citizen or by a company or business association having its seat in Brazil, and exclusively managed by Brazilian citizens.

2. That she be navigated by a Brazilian master.

3. That at least two-thirds of the crew be Brazilian.

Art. 4. Foreign vessels are forbidden to carry on the coasting

trade under penalty of being treated as contraband. They are, however, allowed to carry on the following operations: —

1. To load and discharge goods the property of the Government.

2. To call at a port and proceed with their cargo to another within the time laid down by the regulations.

3. To enter altogether at a port and proceed to another with the whole or part of the original cargo cleared for consumption or re-export.

4. To transport passengers from one port of the Republic to another of whatever class, or whencesoever they may come and their baggage, animals, and any packages classed as parcels, agricultural, and manufactured articles which easily deteriorate, and specie.

5. To receive at more than one port goods manufactured or produced in the country to be exported from the Republic.

6. To assist any State or place in the Republic in cases of famine, pestilence, or other calamity.

7. To carry cargo from one port to another in cases of foreign war, internal disturbance, hindrance or loss, caused to native maritime trade by foreign warships or forces, although there may have been no declaration of war.

Art. 5. Goods carried by foreign vessels from one port of the Republic may be sold in other such ports in cases of forced entry, stranding, or "force majeure."

Art. 6. The navigation of rivers and internal waters is permitted to frontier nations in accordance with the terms of conventions and treaties.

Art. 7. As regards the registration of vessels and their crews, pilotage, and inspection, the regulations laid down by the executive for the enforcement of this law will be those observed.

Art. 8. During 5 years, counting from the date of the publication of this law, the registration of officers and crews of the Mercantile Marine will be free, with the exception of the stamp tax on applications.

Art. 9. Native vessels are subject to a half-yearly inspection of hull and machinery, and are obliged for this purpose to have their holds swept and boilers tested by hydraulic pressure. Once a year this inspection will be in a dry dock, or while the vessel is beached.

Sole Paragraph.—These inspections will be gratuitous, and must be applied for 8 days beforehand by the owners to the proper department. They may be carried out at any ports of the Republic fixed upon in the regulations to be drawn up hereafter.

At present the coasting trade at Rio is almost equally divided between foreign and native vessels, as will be seen from the following statistics as regards 1892: —

TABLE showing the Number and Tonnage of Foreign Vessels Entered and Cleared during the Year 1892.

	Entered.		Cleared.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Sailing	68	34,785	127	60,893
Steam	221	364,103	269	446,573
Total	289	398,888	396	507,466

TABLE showing the Number and Tonnage of Native Vessels Entered and Cleared during the Year 1892.

	Entered.		Cleared.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Sailing	345	43,689	345	47,260
Steam	713	354,480	698	365,957
Total	1,058	398,169	1,043	413,217

Among the foreign vessels, German, British, French, Italian, Norwegian, North-American and Portuguese preponderated in the order given.

Since 1883 the tonnage of native and foreign vessels engaged in the coasting trade of Rio has nearly doubled, the total tonnage of arrivals in that year being only 454,739, and of clearances 540,891.

Since the above was written the Revolution at Rio has occurred, and all native vessels are lying idle, or in the hands of the insurgents, and it is feared that the severe losses caused by this state of things will ruin or at least severely cripple many Brazilian steamship companies.

Railways.

Railways. The extent of railways open for traffic was somewhat understated in a previous report from this Legation. The following table is based on the most recent information obtainable :—

	Miles.				
	Open for Traffic.	Under Construction.	Under Survey.	To be Surveyed.	Total.
State railways	1,536	600	365	301	2,852
Subventioned railways	1,815	2,485	3,650	4,620	12,570
Non-subventioned railways ...	3,250	730	1,325	4,150	9,455
Total	6,651	3,815	5,340	9,071	24,877

TABLE showing the Railway Extension in Brazil.

In—		Number of Miles.
1876	Lines open for traffic ..	930
1879	„ „ ..	1,900
1883	„ „ ..	3,470
1888	„ „ ..	5,302
1892	„ „ ..	6,651

It is probable that a large number of the lines "to be surveyed" will not be constructed at present, as they were projected during the speculative mania in 1890–91, when the Provisional Government in order to carry popularity lavished concessions with interest guarantees in the most reckless manner, which will now either die a natural death or be declared void, unless they show some signs of vitality.

There is not much railway enterprise to record of late, but the Governor of Minas Geraes sanctioned on July 25 a railway Act authorising contracts for a railway line from Ouro Preto, or other point on the Central, to Peçanha and thence to Theophilo Ottoni, and another line from Santa Barbara, by way of Ponte Nova and Manhuassú, to the boundary of Espirito Santo to connect with the line in that State passing through Alegre. The State offers 50 years' privilege, a zone of 60 kiloms., and a guarantee of 6 per cent. for 30 years on the capital not exceeding 50,000 milreis per kilom. The Governor is also authorised to assist the Sapucahy, Muzambinho, Bahia e Minas, and the Theophilo Ottoni to Estrema companies in the completion of their lines by guarantees. The guarantee capital of the Sapucahy main line is fixed at 18,736,502$162 reis, the company to surrender its concessions for branches to Lavras and Lambary and extension to Porto Alegre. The Muzambinho guarantee is to cover only the line from Lavras to the S. Paulo boundary line. As to the Bahia e Minas line, the Governor is authorised to disappropriate and build the road in case he fails to make a satisfactory contract.

An important concession for a line from Rio to Entre Rios, State of Minas, passing through the growing town of Petropolis, and which would have proved a serious competitor to the Grao Para and Rio and northern lines of the Leopoldina Company to the latter town, as well as to the Central Railway, which has a line to Entre Rios, leading into the heart of a large coffee region, was in August rejected by the Senate by 27 votes to 11, whereby, in the opinion of the "Jornal do Commercio," that body covered itself with glory!

The municipality of Rio de Janeiro have lately authorised an engineer to prepare plans for a ceinture railway, to be called Grande Circuito, with a branch to Governador Island, the largest island in the Bay of Rio, and close to the mainland.

The Central Railway, which belongs to the State, is not a

very profitable concern at present; the working expenses in 1892 were 86 per cent. of the gross receipts, and the net revenue only 2,745,664 milreis (297,637*l.*), which yields but ·0211 on the capital employed. The most prosperous railway in Brazil is the S. Paulo Railway Company, from Santos to Jundiahy, about 140 kiloms. (87 miles).

Rio to Pernambuco Railway Scheme.

Rio to Pernambuco Railway scheme.

A Brazilian engineer applied to Congress last year for the concession of a gigantic undertaking—the construction of a railway from Rio to Pernambuco, and many local and foreign journals have published articles favouring this project, under the heading, "Rio to Pernambuco, 2,000 kiloms. (1,240 miles), in 30 hours"; indeed, one journal estimates the time at only 28 hours, which, judging by past and present experience of railway travelling in Brazil, would be an impossibility, for many reasons. The proposed line would start from Nitheroy, opposite Rio, and run straight to Pernambuco along the littoral, connecting with existing lines running inland. It is stated that rapid steamers could ply between Pernambuco and Cadiz in seven days, so that Rio would be only eight or nine days distant from Europe, instead of 13 to 16 days as at present to Lisbon by the best mail steamers. The promoter asks for a concession for 60 years, and a guarantee of 5 per cent. for 30 years on a maximum capital of 10,000,000*l.*, to be deposited with the Treasury agency in London, while the Government would pay the company in currency in Brazil, as required, as the work progressed. The works to be executed in eight years. A zone of 15 kiloms. on each side of line and other privileges are asked for.

A formidable obstacle would be the necessity of constructing immense bridges over the Rio Doce, Rio S. Francisco, and other large rivers, and there are doubtless other serious engineering difficulties to be overcome, though they cannot be said to be insurmountable.

Quarantine.

Quarantine.

The epidemic of cholera which prevailed in various parts of Europe in 1892 led to the imposition of quarantine in Brazil on all arrivals from "infected" countries, including Great Britain. At the same time the importation of mineral waters from those countries was prohibited, the Inspector-General of health being of opinion that, as "almost all, if not all, these waters are artificial and prepared for export, without due care, as is usual with industrial products made on a large scale and destined for foreign consumption, and that as they are made with the water of countries where cholera prevails, they constitute a dangerous vehicle for the cholera." Accordingly the natural mineral waters of well-known springs in France and Germany were not exempted

from this prohibition, a fact which gave a great and unmerited stimulus to the manufacture and sale of falsified mineral waters, and that, too, with the greatest impunity; indeed, retail sellers hardly pretended to sell the genuine article, and the labels often contained orthographical mistakes of the most glaring description. Early in 1893 the prohibition was removed, as each country was in turn declared clear. The sanitary authorities have lately adopted less stringent measures as regards quarantine, and instead of declaring foul all the ports of a country because cholera exists in a certain district, it is now becoming the practise to declare foul only those ports in the immediate vicinity of the infected region, while arrivals from other ports in the same country are freely admitted.

Quarantine Stations.

Quarantine stations.

There is at present only one quarantine station for the whole of Brazil, although the coast line extends to about 4,000 miles; it is situated at Ilha Grande, about 60 miles to the south of Rio de Janeiro, and great inconvenience and loss was caused by ships having to proceed thither in the first instance, for whatever port they might be bound. Vessels bound for northern ports, such as Para and Pernambuco, were the chief sufferers, being forced to lengthen their voyage by some 2,000 or 3,000 miles. The outcry raised by shipowners, especially of sailing vessels, led to the representatives of most of the Powers, including Great Britain, urging upon the Brazilian Government what has long been recognised in this country, viz., the necessity of providing as soon as possible additional lazarettos, and in November, 1892, Congress decreed their establishment in the States of Para, Pernambuco, Bahia, and Matto Grosso. The report of the Minister of the Interior for 1893 states that, as regards Para, a commission was instructed to select a locality in proximity to the State of Maranhão, as the Ilha das Flechas and the Ilha da Tatioca were not well adapted for the purpose. At Bahia it was proposed to fix on a part of the Ilha da Tinhace, called the Morro de S. Paulo. For Pernambuco a commission had recommended the Island of Fernando do Noronha, where the Government have lately established a semaphore and telegraph station, and have obligingly arranged to communicate to Lloyds' agent at Rio de Janeiro the movements of passing ships and marine casualties. This island was, however, thought to be too far distant from the mainland, and a second commission has been sent to finally select a site on or near the coast of Pernambuco, and to construct a lazaretto there forthwith, a sum of 1,500 contos of reis (168,750*l.*) having been assigned for that purpose. This lazaretto, which is undoubtedly the one most urgently needed, cannot, however, be ready for service this year, as it was not until the beginning of October that H.M. Legation was officially informed that the Island of Fernando do Noronha had been definitely selected as

the site for the lazaretto for Pernambuco, and that the works are to be commenced forthwith. The Rio Press recently stated that the Governor of Para proposes to establish a lazaretto on an island situated between Bragança and Vizeu. Fernando do Noronha is 300 miles distant from Pernambuco, but is connected by cable with that town and Senegal.

In August an Italian steamer, the Carlo R., arrived at Ilha Grande and reported over 100 deaths from cholera on the voyage; she was forced to return to Genoa, and all immigration from cholera infected countries was prohibited. This led also to unusually strict quarantine being enforced against most European countries subsequently, including Great Britain, from September 5, as regards certain northern ports, and September 11 for the remainder, and the same expense and loss has been caused by passengers for Pernambuco from Europe, being landed at Rio after inspection at Ilha Grande, a system which adds a fortnight to their journey.

Sanitary Convention with Argentina, &c.

Sanitary convention with Argentina, &c.

The sanitary convention between Brazil and the River Plate Republics has been denounced by Brazil, and expired on August 3, on the ground that its stipulations were not properly carried out. At present the Decree of February 3, 1886, regulates the sanitary service in this country. It must be admitted that Brazil has reason to complain of the action of the Argentine sanitary authorities in quarantining arrivals from Brazilian ports for long periods on the alleged ground of a yellow fever epidemic, even when ports such as this are in reality at times as healthy or healthier than Buenos Ayres itself. Ten days' quarantine is the usual period, but if an Argentine medical officer be taken on board at Rio, the time spent on the journey is allowed to be deducted; hence, if the voyage takes five days, only five days' quarantine are then considered necessary at Buenos Ayres.

Immigration.

Immigration.

The President's message to Congress in May last contained the following reference to immigration:—"The Government has sought to develop the service of immigration and colonisation in the north of the Republic, creating for this purpose three commissions under the presidency of the Governors of Para, Alagoas and Ceará. By the new agreement with the Companhia Metropolitana (signed in August, 1892), the latter contracted to bring to Brazilian ports one million immigrants within the period of 10 years (on the basis of 6*l.* 15*s.* per adult). Owing to the smallness of the appropriation the number of immigrants for the present year was limited to the minimum, viz., 50,000. During

the year 1892 there arrived at the ports of Rio and Santos 86,513 immigrants." In 1891, no less than 216,659 arrived, by far the largest number in both years being Italians. In July a Decree was published appropriating 1,828,832 milreis (205,644*l.*) for the immigration service during the current year. Last year Congress sanctioned the immigration of Chinese and Japanese, but none have yet arrived, although several agents have gone to China to promote immigration, chiefly into the State of S. Paulo. It is understood, however, that the Chinese Government would prefer to wait until they have Consular officers in Brazil, as diplomatic relations between the two Powers are about to be re-established, and a mission has left for Peking, one of the staff being a commercial expert. Since 1891 no British immigration has taken place, and in view of past experience it is to be hoped that it is now fully recognised in England that the climate and conditions of life in Brazil render that country totally unsuited for British colonisation. It is stated in the Report of the Minister for Agriculture, that while 31,714 immigrants entered the port of Santos in 1892, no less than 16,555 left it during that year, and this exodus which occurred chiefly in August, caused serious apprehensions, as a Commission of the Senate has stated that in 1891 the Government spent no less a sum than 30,000,000 milreis (3,375,000*l.*) in the service of immigration. In fact, Brazilian immigration has been compared by its detractors to a mere procession of Italians and Spaniards, who, after amassing, as many of them undoubtedly do, a modest capital, return to their own country, and do not colonise and increase and multiply in their adopted country as in Northern America. There is no doubt that the low exchange by diminishing the gold value of remittances to foreign countries has a prejudicial effect on Brazilian immigration.

Sr. Alcindo Guanabara, a deputy, was early in 1893 appointed Superintendent-General of Immigration for Brazil, to reside at Brussels with a staff of secretaries; but according to a well-informed journal, "Le Brésil," the mission of that gentleman, who is at present at Paris, is also "as the special delegate of the Brazilian Government to furnish particulars to the Press, and to give accurate and prompt information about men and things in Brazil, with the greatest impartiality—including the 'Times,' 'Standard,' 'Daily Chronicle,' 'Financial News,' and leading papers in France and other countries."

The scheme alluded to previously for introducing immigrants into the northern, *i.e.*, equatorial, region of Brazil has not been looked upon with favour by some foreign Powers; and the Italian Government have warned their countrymen against going to those latitudes.

Victoria, the port and capital of the State of Espirito Santo, is receiving considerable numbers of immigrants, and many people predict a great future for that as yet undeveloped State, since within a comparatively short distance of the coast there are large tracts of country suitable for coffee plantations; and in order to

open them up it would be only necessary to complete a railway which has been left in an unfinished state.

An arrangement has been come to between the States of Espirito Santo and Minas, by which the latter is to have an outlet to the sea through Espirito Santo to Victoria, which will render Minas Geraes independent of the port of Rio de Janeiro—some railways will, however, have to be constructed first.

The immigration into Espirito Santo is promoted by that State on its own account; a contract for the introduction of 20,000 immigrants having been negotiated.

Many other immigration schemes have been submitted to Congress, including one for introducing 50,000 immigrants to be employed in maritime industries, such as fisheries, shipbuilding, oyster culture, &c. Admiral Jaceguay, who was the promoter, obtained in 1888 a concession with a large subvention for a Brazilian steamship line to Europe, which has never been carried into effect. Another scheme proposed the introduction of 2,000 "labourers" from Liberia to be employed on harbour works at Santos, which have proved so deadly to Europeans from the well-known unhealthiness of that port.

Another Bill recommended a subsidy of 1,200*l.* a trip for a line of steamers between Aracaju, Parahyba, Natal, Para, Lisbon, Antwerp, Liverpool and Hamburg; and a second Bill favours a subsidy of 500,000 milreis (56,250*l.*) per annum for a line of steamers between the ports of Para, Maranham, Ceará, Pernambuco, Maceio, Lisbon, Barcelona, Marseilles and Genoa. None of these projects have been adopted so far, and all immigration is suspended owing to the cholera in Italy and Spain.

Census of the State of Rio de Janeiro.

Census of the State of Rio de Janeiro.

A census taken on August 30, 1892, of the State of Rio de Janeiro and recently published, gives some interesting vital and educational statistics with regard to that State. The city of Rio de Janeiro is not included, as it forms a district by itself. The State capital, Nitheroy, is on the Bay of Rio near the Federal capital, and it is proposed to remove the seat of administration to some town in the interior of the State. It appears from this compilation that the total population of the State is 1,053,817, of whom 54,148, or 5 per cent., are foreigners, including 28,353 Portuguese, 11,884 Italians, 3,834 Spaniards, 3,549 Germans, and but 435 English. No less than 99 per cent. of the whole population are stated to be Catholics. Though one of the smallest States in the Union its area extends to 40,426 square kiloms. (that of Denmark is 38,302 square kiloms.). It appears that 64 per cent. of the population are unmarried, and that the illegitimate births represent about 30 per cent. of the total births. Marriages represent only 4 per cent. of the total population annually. Instances are cited of two widows aged 14. and of one married woman aged 12! The condition of education in this State leaves much to be desired; out of the total popula-

tion of 1,053,817 only 234,585 are classified as able to read and write, while 819,232 are illiterate, i.e., about 78 per cent. According to the Brazilian constitution illiterates are not entitled to vote, so the number of males of full age who can exercise the suffrage must be very limited. Two municipalities can boast of no less than 86½ per cent. of illiterates, the lowest ratio being 62 per cent. in Novo Friburgo. By law the school population consists of boys aged from 7 to 14 years, and of girls aged from 7 to 12; and it amounted in 1892 to 216,655 children, of whom only 39,421 were attending school, while 177,234 or 82 per cent. did not attend school. In Piauhy no less than 90½ per cent. did not attend school; Petropolis with 30 per cent. attending school carries off the palm, and it may be added that 19½ per cent. of the population of that district are foreigners.

The census of the city of Rio de Janeiro taken on December 31, 1890, gave a total population of 522,651 persons; made up as follows:—364,446 Brazilians, 151,093 foreigners, 2,733 floating population, and 4,359 maritime population. In 1711 the population was calculated at 12,000, and in 1870 the census showed 235,381 persons, and 274,972 in 1872. At the last census the number of houses was found to be 48,576 and of families 71,607. These figures are published in the Report of the Minister of Industry, &c., in 1893.

Future Capital of Brazil.

Future capital of Brazil.

Article III of the Constitution lays down that a territory measuring 14,400 square metres, to be selected on the Plan Alto or Central Plateau of Brazil, shall form a new Federal District, where the future capital of the Republic shall be built. Rio de Janeiro will then become the capital of a new State, to be called Guanabara, after the original Indian name of the Bay of Rio, formed out of the present Federal district of 140 square kiloms.

In pursuance of this Article the Government appointed on May 9, 1892, a Commission with Dr. Cruls, the distinguished Director of the Rio Observatory, as President, to explore and demarcate the proposed new district. The Commission proceeded by rail as far as Uberaba (Minas Geraes) and thence on mule back to the State of Goyaz. The spot selected is in the vicinity of Pyrenopolis, formerly Meia Ponte, and near the Pyreneos Mountains, on a plateau that may be said to be the watershed of Brazil. In this region are the sources of the Araguaya and Tocantins Rivers, and of several large tributaries of the S. Francisco and Parana Rivers. The altitude of the plateau ranges from 2,950 to 4,260 feet, and as a proof how little this part of Brazil was known, it may be mentioned that the highest peak of the Pyreneos Mountains, which was reputed to measure 9,840 feet, was found by Dr. Cruls to be only 4,473 feet high. The climate is said to be healthy, and the average temperature is estimated at 19° C. or 66° Fahr., which is rather less than that

of Rio. Water and building stone, both granite and limestone, are found in abundance.

The centre of the zone measured is 970 kiloms., or 605 miles from Rio, as the crow flies, but allowing for inevitable detours this would be increased to 1,200 kiloms., or 745 miles; and it must be admitted that Dr. Cruls takes a very sanguine view in estimating that this distance could be effected in 20 hours, i.e., at the rate of 60 kiloms., or 37 miles an hour. This line and many others would have to be constructed in order to render it possible to govern Brazil from the wilds of Goyaz, though this may perhaps be used as an argument in favour of the project. The President's message to Congress this year, urged the removal of the capital provisionally to some place in the interior without waiting till the new capital is ready for occupation. In any case there is no doubt that Rio will always remain, from its unrivalled situation, the most important city in Brazil, whether it ceases to be the capital or not; while the exploration commission are to be congratulated on having amassed valuable information as to the geography and botany of a region which has been visited by few travellers excepting M. de Saint-Hilaire and Castelnau.

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1893.

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BULGARIA.

REPORT FOR THE YEAR 1892

ON THE

TRADE, &c., OF BULGARIA.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1110.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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BULGARIA.

SOFIA.

Mr. Dering to the Earl of Rosebery.

My Lord, *Sofia, September* 15, 1893.

I HAVE the honour to forward to your Lordship herewith Reports concerning the General Commercial Progress of Bulgaria during the past year, which have reached me, for transmission to your Lordship, from Her Majesty's Vice-Consuls in this country.

Your Lordship will notice in Mr. Vice-Consul Hampson's Report, the great strides made by Germany in its Commercial intercourse with this country, both as regards imports and exports. I have reason to attribute this in great measure to the activity and energy of their commercial travellers, and to the presence of a Permanent Sample Museum established at Sofia, with branches in various other large towns of the Principality.

The population of Bulgaria, as recorded in the return for 1892, amounted to over 3,300,000. Statistics on all subjects in this country are still in their infancy; but an eminent Bulgarian has reckoned the average annual income of the country for the last four years, derived from agriculture and industry, to amount to 825,000,000 fr. (33,000,000*l.*). Of this amount, agriculture is credited with 550,000,000 fr. (22,000,000*l.*), which includes grain of all kinds, tobacco, cattle, wine, products of forest and pasture lands, &c., and industries are valued at 275,000,000 fr. (11,000,000*l.*).

Taking the amount of population at 3,300,000, this sum would give an annual income per head for man, woman and child of some 250 fr. (10*l.*). When the low cost of living in Bulgaria is taken into consideration, together with the simple food and habits of nineteen-twentieths of the population, this would account for the fact that real poverty may be said to be absolutely non-existent.

According to the most reliable calculation, the capitalised wealth of Bulgaria may be stated to be 4,201,000,000 fr. (168,040,000*l.*), including land, buildings, railways, and other public works, cattle, bullion, &c. From this should, however, be deducted 153,000,000 fr. (6,120,000*l.*), being the portion of

Bulgarian loans held by foreigners, leaving a sum of 4,048,000,000 fr. (161,920,000*l.*) to represent the capitalised wealth of the country, or 1,226 fr. (a little more than 49*l.*) per head of the population, being about 5 years' value of the average national income.

I have, &c.
(Signed) HENRY NEVILL DERING.

Report on the Trade and Commerce of Bulgaria for the Year 1892.

ABSTRACT of Contents.

	PAGE
Sofia—	
Introductory	3
Exports	3
Imports	4
Trade marks Law	10
Public works	10
Sericulture	10
British Commercial Sample Museum	11
Population	11
Philippopolis—	
Philippopolis exhibition	13
Industrial exhibits	14
Agricultural exhibits	15
Fisheries and fauna	17
Minerals	18
Foreign exhibits	18
Industrial and agricultural congress	19
Agriculture	20
Imports	21
British imports	21
Woollen and cotton goods	21
Colonials	22
Iron and hardware	22
Minerals	22
Sacks	22
Exports	22
Cereals	22
Wine	23
Skins	23
Tobacco	23
Otto of roses	23
Wood	23
Cocoons	23
Silk	23
New silk factory	23
Varna—	
General review	24
Imports	25
Exports	26
Mussulman emigration	26
Balance of trade	27
Shipping	27
Public works and private enterprise	28
Trade and shipping returns	31
Roustchouk—	
Trade	37
Imports	37
Bulgarian official statistics	37
Piece-goods	37
Coals	37
Biscuits	37
Machinery	38

ABSTRACT of Contents—continued.

PAGE
Agents 38
Exports 38
Joint Stock Fire Assurance Company 39

SOFIA.

Mr. Vice-Consul Hampson reports as follows :—

Introductory.

There are few remarks to make on the general trade of the Bulgarian principality during the year 1892. Mr. Vice-Consul Wratislaw has taken advantage of the Philippopolis Exhibition to review generally the industries of the country, and it only remains, therefore, to call attention to the few points worthy of notice in the statistics published by the Ministry of Finance, as summarised in the tables annexed.

On the whole, it may be said that the commercial year was not an unfavourable one, in spite of the hindrances to trade which resulted from the long quarantine.

Exports.

An increase of about 40,000 tons in quantity, and of about 140,000*l.* in value, is observable in the exports from Bulgaria during 1892 as compared with either of the two preceding years. This increase was entirely the result of the larger value and quantity of cattle and grain exported, in the latter case Germany being more than accountable for the whole increase, of the value of nearly 200,000*l.*

Turkey in 1892 regained the position of the leading country of import from Bulgaria, which she had ceded to France for the previous year. The latter country is, however, not far behind.

The most remarkable point in the statistics of the Bulgarian exports is the immense increase to Germany. This country in 1891 imported merchandise from Bulgaria to the quantity of 14,000 tons, and to the value of 41,000*l.*, while in 1892 the quantity rose to 133,000 tons, and the value to 520,000*l.* Of this latter sum nearly 514,000*l.* was the cost of grain, as against only 32,000*l.* in the previous year.

Exports to the United Kingdom during 1892 only amounted to 69,000 tons and 292,000*l.*, as against 168,000 tons and 671,000*l.* in 1891, being a decrease of nearly two-thirds.

Grain. As has been already remarked, the export of grain from Bulgaria increased by nearly 1,000,000 cwts. and by nearly 200,000*l.* in 1892 as compared with 1891. France continues to be the largest importer of Bulgarian grain, taking over 3,000,000 cwts. of the value of 756,000*l.* Germany now occupies second place, while in 1891 she was only sixth. Then follow Turkey and the United Kingdom, the export of grain from Bulgaria to the latter being in 1892 only 1,386,000 cwts., of the value of 287,000*l.*, as compared with 3,357,000 cwts., of

the value of 667,000*l.*, in 1891. The value of the grain exported to Italy rose from 53,000*l.* in 1891 to 104,000*l.* in 1892, and to Roumania from 2,000*l.* in 1891 to 15,000*l.* in 1892.

Cattle and live stock.

The export of cattle and live-stock from Bulgaria in 1892 fell off in number, only 719,269 head being exported in 1892, as against 885,091 head in 1891; but the value of the animals exported was considerably increased, the smaller number in 1892 being of a value of 270,256*l.* as against a total value of 244,759*l.* in 1891.

Other exports.

The only other exports of any importance are native textile goods to the value of 125,000*l.* (a decrease of 40,000*l.* as compared with the previous year), and hides and animal produce to the value of 150,000*l.*

Imports.

Imports into Bulgaria fell slightly, both in quantity and value, in 1892 as compared with 1891, only 173,000 tons, of the value of 3,092,000*l.*, being imported, as against 176,000 tons and 3,253,000*l.* This decrease is probably to be accounted for by the quarantine which existed during more than half of last year.

Austria-Hungary maintains its position as the principal supplier of Bulgarian requirements; but though the quantity of merchandise imported has increased by 15,000 tons, the value has fallen by 230,000*l.* as compared with 1891. Of the total value of 1,124,000*l.* imported from Austria-Hungary in 1892, 216,000*l.* was due to textile goods, 163,000*l.* to colonial goods, and 127,000*l.* to timber, &c.

The United Kingdom occupies the second place with a total quantity of 26,000 tons and a value of 717,000*l.* The quantity is nearly identical with that of 1891, but the value has risen by 80,000*l.* Of the total value of imports from the United Kingdom textile goods represent 442,000*l.* (an increase of 58,000*l.* over 1891), metals 97,000*l.*, colonial goods 57,000*l.*, and timber, &c., 18,000*l.* (as against only 424*l.* in 1891).

Turkey takes the third place with 409,000*l.*, and Germany fourth with 331,000*l.* as against only 196,000*l.* in 1891. The imports from the latter country consist chiefly of textile goods, metal and metal wares, and leather.

The imports into Bulgaria, to the value of 100,000*l.* and upwards, are: — Textile goods, 924,000*l.*; colonial goods, 282,000*l.*; metals, 253,000*l.*; machinery, 238,000*l.*; timber, furniture, &c., 177,000*l.*; leather, 147,000*l.*; and oils, candles, wax, &c., 136,000*l.*

In general, then, the import and export trade of Bulgaria for the year 1892 offers but few salient points except the great advance of Germany's trade with Bulgaria. The United Kingdom has very largely reduced its consumption of Bulgarian products, but, on the other hand, has made a slight advance in the value of the goods with which it supplies the principality, amounting to about half the total value of the increase of the imports into the country.

Table A.—RETURN of Exports to the following Countries for Five Years ended 1892.

Countries.	1888.		1889.		1890.		1891.		1892.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£
United Kingdom	95,760	411,025	114,335	503,817	156,072	597,472	167,962	671,120	69,571	292,268
France	103,381	555,320	135,843	735,613	139,226	779,853	186,228	970,284	152,505	780,073
Turkey	153,081	1,109,908	171,394	1,222,286	101,657	877,129	53,634	686,293	91,872	862,235
Austria-Hungary	16,264	105,147	29,359	142,331	58,406	230,024	15,066	125,262	16,663	127,038
Italy	7,558	40,824	12,439	65,898	10,820	61,870	10,239	58,867	19,701	107,159
Germany	3,844	10,600	13,481	49,375	4,600	19,830	14,087	41,797	133,525	520,647
Belgium	4,866	24,919	10,840	48,955	4,651	25,613	6,447	28,087	4,997	24,909
Roumania	21,352	95,039	22,344	63,624	6,823	19,346	6,395	27,597	14,934	59,977
Servia	244	10,705	1,324	14,327	1,033	8,283	416	21,404	365	14,577
Greece	5,444	30,239	8,657	49,285	3,057	28,845	2,359	17,871	579	5,986
Other countries	36,386	174,219	79,442	327,782	50,385	193,779	44,453	194,024	40,595	190,745
Total	448,180	2,567,945	599,458	3,223,243	536,730	2,842,044	507,286	2,842,606	545,307	2,985,614

Table B.—RETURN of Principal Articles of Export for Five Years ended 1892.

Articles.	1888.		1889.		1890.		1891.		1892.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£
Grain	418,363	1,851,721	564,800	2,511,923	505,880	2,173,942	479,672	2,137,217	518,668	2,317,727
Cattle and live-stock (head)	964,349	233,526	869,659	237,260	1,091,425	213,189	885,091	244,759	719,269	270,256
Textile goods	897	123,705	1,038	141,648	845	125,988	1,023	165,318	768	125,486
Hides, skins, &c. ..	1,450	65,064	1,591	71,682	1,557	69,744	1,944	83,885	1,710	73,176
Animal produce ..	2,816	91,410	3,043	87,295	3,057	90,956	2,635	80,527	2,698	83,437
Fruits and vegetables	2,390	13,512	1,247	14,310	1,074	11,132	4,081	41,526	4,527	39,153
Timber	10,162	25,601	11,133	27,345	9,882	26,761	8,834	32,776	8,955	31,589
Otto of roses, &c. ..	77	75,395	67	62,776	82	72,071	79	13,935	53	10,960
Various	12,025	88,011	16,540	69,004	14,353	58,261	9,018	42,663	7,923	33,830
Total tons ..	448,180	2,567,945	599,459	3,223,243	536,730	2,842,044	507,286	2,842,606	545,307	2,985,614
„ head ..	964,349		869,659		1,091,425		885,091		719,269	

Table C.—RETURN of Imports from the following Countries for Five Years ended 1892.

Countries.	1888.		1889.		1890.		1891.		1892.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£
United Kingdom	19,705	780,773	20,651	847,735	25,132	800,816	26,046	639,793	26,154	717,185
Austria-Hungary	32,251	727,470	48,287	892,687	61,538	1,320,230	55,819	1,359,708	70,848	1,124,107
Turkey	16,856	394,846	21,934	391,138	27,920	415,737	24,931	400,373	20,561	409,329
Russia	8,462	120,326	12,770	181,293	16,094	208,069	15,980	218,132	12,942	121,638
Germany	2,789	175,616	3,308	156,433	3,394	154,615	6,734	196,670	7,369	331,885
France	2,549	155,664	5,004	137,252	4,258	138,387	13,762	158,756	4,549	129,010
Roumania	20,831	88,161	22,618	93,578	21,648	87,372	19,184	72,659	17,102	59,238
Belgium	2,620	53,351	3,287	78,612	5,934	99,415	3,754	57,624	3,393	53,325
Italy	9,360	40,693	9,330	43,411	6,237	52,776	3,261	56,001	4,382	61,075
Switzerland	165	40,069	138	37,198	235	46,459	252	37,956	191	33,637
Servia	8,498	59,373	5,446	38,502	7,269	47,156	6,104	36,370	5,331	34,367
Other countries	738	18,155	251	9,231	404	10,187	840	19,884	799	17,324
Total	124,824	2,654,497	153,024	2,914,770	180,063	3,381,219	176,676	3,253,926	173,621	3,092,120

Table D.—RETURN of Principal Articles of Import for Five Years ended 1892.

Articles.	1888.		1889.		1890.		1891.		1892.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£
Textiles	6,930	1,019,473	7,791	1,093,110	8,980	1,072,254	7,583	838,440	8,798	924,459
Machinery, &c. ..	706	68,102	771	56,255	2,323	210,982	1,762	351,140	1,887	238,482
Metals and wares ..	11,250	228,525	14,788	28,530	15,811	334,532	16,175	280,692	13,675	252,996
Colonial goods ..	9,002	235,100	10,156	259,600	14,102	317,572	10,949	265,812	12,335	281,766
Oils, candles, wax ..	2,995	110,360	3,513	114,360	3,469	121,100	3,917	142,387	4,095	136,597
Leather and wares ..	1,561	199,072	1,559	195,094	1,958	181,619	1,242	137,481	1,271	147,176
Wine, beer, spirits ..	2,059	54,444	4,765	121,956	7,752	188,092	6,033	130,738	3,417	88,448
Mineral oils, &c. ..	7,856	65,160	11,040	93,480	14,164	124,200	13,270	110,542	13,398	97,524
Timber, furniture, &c.	27,371	120,789	32,810	117,526	35,576	141,054	29,400	103,014	41,682	177,385
Stone, glass, earthenware..	5,502	65,013	9,330	69,093	10,792	85,534	20,430	99,570	10,475	79,266
Seeds, grains, &c. ..	5,171	57,613	3,333	39,564	4,380	46,804	7,383	84,591	6,166	76,990
Paper and wares ..	1,635	55,223	1,743	56,744	2,373	71,344	2,287	72,258	2,390	61,426
Railway and other waggons	247	48,545	124	15,422	14	8,816	4	45,573	8	24,324
Paints, dyes, &c. ..	1,438	50,360	2,457	51,904	1,200	45,240	1,419	38,570	1,316	37,727
Preserved fruits, &c...	719	22,080	950	22,840	1,040	28,426	1,227	31,156	1,406	32,901
Fuel	11,664	13,259	12,369	14,370	25,679	27,083	24,440	23,947	24,466	25,790
Jewellery and fancy goods	33	17,744	32	17,005	44	23,041	56	22,085	63	26,448
Fruits, vegetables, &c.	3,212	42,736	1,333	23,600	1,753	19,480	1,536	21,220	1,548	22,485
Chemicals	23,040	56,680	30,396	70,524	24,575	57,760	1,405	20,201	1,414	21,965
Various	185	54,764	3,764	188,593	4,078	286,386	26,158	429,409	23,781	236,965
Total	122,576	2,586,042	153,024	2,914,770	180,063	3,381,219	176,376	3,253,926	173,621	3,092,120

Table E.—VALUES in £ Sterling of Principal Imports into Bulgaria and Principal Countries of Importation for the Years 1890–92.

Articles.	United Kingdom.			Austria-Hungary.			Turkey.			Russia.			Germany.			France.		
	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Cotton and woollen fabrics, cloths, &c. ...	498,639	384,566	442,162	274,970	216,158	230,553	90,437	83,244	88,040	10,966	6,354	7,341	47,109	36,072	52,883	43,758	34,258	28,989
Metals and metal wares...	117,216	85,457	97,314	94,360	76,300	58,941	10,681	8,889	10,581	1,548	2,250	2,058	42,354	67,269	54,239	7,188	10,545	6,976
Colonial goods	64,956	64,801	57,711	190,667	140,049	163,455	36,560	34,221	35,835	1,580	2,457	184	2,744	2,616	2,872	6,460	11,624	12,811
Oils, wax, candles, &c. ...	5,714	5,187	4,828	12,704	10,111	15,390	81,085	85,802	88,270	473	441	126	936	353	409	10,751	27,464	16,966
Leather and leather ware	16,490	7,228	8,149	39,802	26,861	31,545	49,301	42,868	44,205	9,897	7,262	5,277	16,127	11,061	13,377	25,000	21,081	22,680
Beer, wine, and spirits ...	285	120	211	109,512	75,532	62,745	12,004	10,487	5,804	53,113	37,083	19,999	2,669	1,826	1,132	9,980	5,311	3,361
Timber, furniture, &c. ...	1,422	424	18,321	99,333	78,362	127,640	15,170	12,132	13,281	659	746	1,098	1,694	1,464	2,680	1,585	601	1,705
Stone, glass, and earthenware	3,429	3,793	4,330	49,370	44,756	44,967	6,992	7,941	6,770	124	286	333	3,583	6,088	5,060	9,366	21,240	7,524
Paper and paper wares ...	127	499	439	65,129	65,030	51,363	2,201	2,377	1,017	181	165	108	25	1,986	6,883	978	1,425	853

Table F.—RETURN of Bulgarian Grain Export for the Years 1890–92.

Countries.	1890.		1891.		1892.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Cwts.	£	Cwts.	£	Cwts.	£
United Kingdom ...	3,097,345	591,171	3,357,420	667,650	1,386,102	286,949
France	2,761,107	725,956	3,710,940	946,007	3,030,844	756,514
Turkey	1,664,488	401,530	796,120	177,254	1,553,486	384,153
Austria-Hungary ...	1,095,476	159,345	235,140	55,280	272,430	57,747
Italy	214,496	52,872	202,100	53,178	393,428	103,711
Germany	90,645	13,395	278,100	32,196	2,667,384	513,971
Belgium	92,629	25,557	128,940	28,077	99,930	24,873
Greece	53,613	14,100	42,980	8,564	9,990	1,696
Roumania	7,054	1,066	11,740	1,895	31,372	15,583
Servia	13,349	1,561	1,540	239	1,402	231
Other countries ...	990,487	187,388	828,420	166,877	926,992	172,299
Total	10,080,689	2,173,941	9,593,440	2,137,217	10,373,360	2,317,727

Trade Marks Law.

In the autumn of 1892 a new law for the registration of trade marks in Bulgaria was passed by the National Assembly, to come into force in the spring of the present year 1893. Several modifications will be necessary in order to make this law more exact, and to prevent fraud; but it is a move in the right direction, and many British and other foreign trade marks have already been registered at Sofia.

Public Works.

Considerable activity has been displayed during the past year, directed towards the improvement of the towns and the wider extension of communications, harbours, &c., throughout the country. Schemes are under consideration for the proper drainage, as also for the lighting by electricity of the town of Sofia.

In the summer of 1892 the Government advertised for tenders for the new commercial harbour to be constructed at Bourgas. The total cost was estimated at about 30,000*l*. No tender which was considered to be satisfactory has been so far received, and the contract is still open for competition.

The railway from Sofia to Pernik is well advanced towards completion, and recently the Ministry of Finance has asked for tenders for the construction of a line from Sofia to Roman, a distance of some 108 kiloms., crossing the Balkans to the north of Sofia. This line will be the initial stage of the railway designed to connect Sofia with the Danube.

Sericulture.

In the last few years the cultivation of the silk-worm has

made considerable progress in Bulgaria, the Ministry of Finance and Agriculture having distributed large quantities of eggs at a price of about 2*s.* 6*d.* per ounce. The chief centres are at Vratza and Stanimaka, where, under careful management, excellent results have been arrived at, an ounce of eggs having, on an average, produced about 100 lbs. of cocoons.

The figures of production for the last three years were :—

Year.	Cocoons.
	Cwts.
1890	1,320
1891	3,340
1892	4,200

The primary cost of the eggs and the expenses connected with rearing come to about 1*l.* 4*s.* per ounce, and calculating the result in cocoons at 100 lbs. per ounce of eggs, and the sale price of the cocoons at about 1*s.* per lb., this leaves a handsome profit to the breeder.

British Commercial Sample Museum.

It has been suggested that a Commercial Sample Museum, similar to those of Austria-Hungary and Germany already existing at Sofia, should be started also for the United Kingdom. The object of such an institution is to have in the capital of the country, with eventual branches at other important commercial centres, a depôt to which British merchants and manufacturers might send samples of their goods, so that the Bulgarian importer or consumer might have the opportunity to judge for himself of the articles, and might also be afforded greater facilities in obtaining the same. The museums already existing have much benefited the commerce of the countries which they represent; and, if established on a proper footing, a British enterprise of the same nature would, doubtless, prove of great assistance to British trade, more especially when it is considered that the chief obstacle to the advancement of that trade at present is the want of duly qualified agents and travellers, representing British firms, in foreign countries.

Population.

A new census of the inhabitants of the Bulgarian principality was made at the end of 1892, being the first since 1888. The result gives an increase of 150,000 in the total population; males having increased by 80,000 and females by 70,000, the former being now in a majority of 70,000.

The figures are as below :—

	1888.	1892.
	Number.	Number.
Males	1,605,389	1,688,688
Females	1,548,986	1,616,770
Total	3,154,375	3,305,458

The total area of the principality is 37,860 square miles, namely, Bulgaria proper, 24,360 square miles, and Eastern Roumelia 13,500 square miles. The population is divided between these two divisions as follows:—

	1888.	1892.
	Number.	Number.
Bulgaria	2,193,934	2,313,072
Eastern Roumelia	960,441	992,386
Total	3,154,375	3,305,458

The present distribution in districts is:—

District.	Number of—		Total.
	Males.	Females.	
Bulgaria—			
Varna	112,472	102,741	215,213
Widdin	62,704	59,397	122,101
Vratza	77,530	73,381	150,911
Kustendje	85,498	81,677	167,175
Lorcha	62,725	63,192	125,917
Lom	59,395	55,953	115,348
Plevna	51,202	48,674	99,876
Razgrad	65,987	63,544	129,531
Roustchouk	84,420	78,169	162,589
Sistov	47,858	42,261	94,119
Sevlievo	46,693	46,582	93,275
Silistria	57,358	54,210	111,568
Sofia	128,642	116,182	244,824
Trin	41,000	38,262	79,262
Tirnovo	110,952	113,211	224,163
Shoumen	90,560	86,640	177,200
Eastern Roumelia—			
Bourgas	60,609	55,637	116,246
Philippopolis	117,269	115,238	232,507
Sliven	84,013	81,668	165,681
Stara-Zagora	107,808	106,685	214,493
Tatar-Bazardjik	70,101	68,589	138,690
Haskeni	63,892	60,877	124,769
Total	1,688,688	1,616,770	3,305,458

TABLE showing the Towns with over 8,000 Inhabitants, and the Increase or Decrease since the last Census.

Town.	Inhabitants in 1888.	Inhabitants in 1892.	Increase or Decrease.
	Number.	Number.	Number.
Sofia	30,428	46,593	+ 16,165
Philippopolis	33,032	36,033	+ 3,001
Varna	25,256	28,174	+ 2,918
Roustchouk	27,194	28,121	+ 927
Sliven	20,893	23,210	+ 2,317
Schoumen	23,161	22,507	— 654
St. Zagora	16,039	17,457	+ 1,418
T. Bazardjik	15,659	16,338	+ 679
Plevna	14,307	15,544	+ 1,237
Widdin	14,772	14,544	— 228
Haskovo	14,191	14,350	+ 159
Yamboli	11,241	13,588	+ 2,347
Razgrad	11,840	13,295	+ 1,455
Sistov	12,482	13,212	+ 730
Stanimaka	12,191	13,089	+ 898
Tirnovo	11,314	12,559	+ 1,245
Vratza	11,323	12,258	+ 935
Silistria	11,414	11,808	+ 394
Kustendil	10,669	11,383	+ 694
Dobritch	10,717	11,087	+ 370
Tchirpan	11,024	11,069	+ 45
Kazaulik	9,480	10,765	+ 1,285
Samokov	9,658	9,568	— 90
Sevlievo	8,859	9,451	+ 592
Panagouristh	8,757	9,003	+ 246
Eski-djuma	8,519	8,840	+ 321
Lom	8,199	8,444	+ 245
Bourgas	5,749	8,425	+ 2,676
Doubuitza	7,919	8,416	+ 497
Toutrakan	7,926	8,063	+ 137

PHILIPPOPOLIS.

Mr. Vice-Consul Wratislaw reports as follows:—

Philippopolis exhibition.

The principal commercial event of 1892 was the holding at Philippopolis of the "First Bulgarian Agricultural and Industrial Exhibition," which was inaugurated by Prince Ferdinand on August 27. The exhibition remained open for 3 months, and was visited by some 200,000 persons (about 7 per cent. of the total population of Bulgaria), of whom 150,000 paid at the door. The 50,000 who entered gratis were composed principally of deputations from various parts of the country, who were brought to Philippopolis at the public expense. These deputations, mostly consisting of peasants; were organised by the various provincial authorities, and came to Philippopolis in special trains, or by such other means of locomotion as the geographical position of their homes rendered available. In some cases the journey lasted several days, and was performed entirely on horseback.

The excellence of their behaviour while at Philippopolis was very noticeable. Though a fairly constant visitor to the exhibition, I neither saw nor heard of a single case of drunkenness or other misconduct on the part of any of them, which speaks well for the sobriety and self-respect for the Bulgarian peasant and the controlling influence exercised by those in authority.

Owing to the outbreak of cholera in neighbouring countries and the consequent institution of a strict quarantine on the Bulgarian frontier, the number of visitors from abroad was very small. A rather exaggerated notion had been formed in the country of the interest excited throughout Europe by the Bulgarian exhibition, and of the number of foreigners who would be attracted to Philippopolis by it, and numerous hotels were improvised for their accommodation. After the first week these did little business, and proved an extremely unprofitable speculation. The same may be said of the restaurants, switch-back railway, shooting galleries, and other small amusements provided within the grounds of the exhibition. These, having to depend entirely on the custom of the thrifty Bulgarian visitors, were worked at a dead loss.

The undertaking was originally intended to be on an unpretending scale, something of about the same dimensions as an English Agricultural and Cattle Show; but by degrees the scheme expanded, and the final result was an International Exhibition in miniature. While it may be thought that a less ambitious plan would have been more in accordance with the resources of the country, there can be no doubt about the thoroughness with which the enterprise was carried out. Every corner of the country was ransacked in order to make the exhibition complete, and it may safely be said that hardly an article grown or made in the country was unrepresented.

Industrial exhibits.

The number of exhibitors was thus large, but the industrial, as opposed to agricultural exhibits, though generally interesting were as a rule of small commercial importance. A walk through the exhibition left no illusions as to the extremely backward state of Bulgarian manufactures. The fact is, that the only manufacture of even respectable dimensions is that of the native cloth known locally by the name of "Shayak." The three centres of this industry, Slivno and Karlovo in Eastern Roumelia, and Gabrovo in North Bulgaria, were well represented at the exhibition, each having a building of its own stocked with the various qualities of Shayak as well as the braid (Gaitan) and miscellaneous woollen fabrics which are also produced in smaller quantities. It is to be noted that while the coarser qualities of Shayak, which are excellent for rough wear, are universally used by the peasants in Bulgaria, and are even exported to Turkey, the finer qualities cannot compete with the cheap Austrian ready-made clothes preferred by the town population.

Amongst other industries represented in the exhibition are

spirit distilling, which seems to have a future before it, but is principally in the hands of foreign capitalists; brewing, soap making, carriage building, and furniture making. Most of these have as yet hardly passed beyond the experimental stage, and their growth is heavily handicapped by the almost unrestricted competition of foreign goods.

The smaller handicrafts, those of the coppersmith, tinker, shoemaker, tanner, furrier, &c., are, as a rule, languishing under the blighting influence of foreign competition. They, however, with the cotton and silk stuffs, embroideries, and other home productions of the Bulgarian women, supplied a number of quaint and interesting exhibits.

A number of carpets from the districts bordering on Servia were shown, some of which were pretty. But they lacked, as a rule, the richness of colouring and the tasteful design which were so characteristic of similar exhibits in the Turkish section.

The silk-spinning factory recently erected at Stanimaka, though opened only a few weeks before the exhibition, was able to show some fine samples of its work, which were manifestly a great improvement on the home-spun silk exhibited in small quantities from other parts of the country. Sericulture in general appears to be rapidly recovering from the effects of the silk-worm disease which had all but destroyed this industry.

The cocoons exhibited, chiefly from Vratza in North and the Philippopolis district in South Bulgaria, all appeared to be of excellent quality.

With industries to create and a backward system of agriculture to improve, it is only natural that little attention should have been devoted by Bulgarians to the fine arts during the fifteen years which have passed since their liberation. Nevertheless the exhibition contained a gallery full of pictures mostly by native artists, some of which, I am assured, evinced considerable artistic talent. The picture which attracted most notice was one of Batak on the "Night after the Massacre." It would perhaps have been in better taste to have let by-gones be by-gones and to have withheld this grewsome conglomeration of blood, flames, and corpses, considering the excellent relations which now exist between Mussulmans and Christians in the country.

Agricultural exhibits.

The following official figures, published in connection with the exhibition, show the distribution of the land in Bulgaria :—

Description.	Area.	
	Acres.	Acres.
Land under cultivation—		
Arable land	5,359,900	
Vineyards	237,120	
Market gardens, &c.	111,920	
Meadows	770,640	
Woods and forests	3,291,104	
		9,770,684
Area uncultivated but fit for cultivation		13,651,341
Area unfit for cultivation		1,099,150
Total		24,521,175

The soil is generally of great fertility, and with an improved system of cultivation and an increased population would yield an infinitely greater return than it does under existing conditions.

The staple production of the country is grain, fine samples of which were exhibited from all parts of the principality. Wheat, barley, maize, oats and rye are the principal crops raised, the quantity of wheat alone being equivalent to all the rest together.

The importance of the grain cultivation to Bulgaria may be understood from the fact that in 1891 more than a third of the State revenue was realised from the sale of the grain tithe, and that the value of grain exported in the same year was three-quarters of the total value of all exports from Bulgaria taken together.

According to the statistics given above, the total area over which the vine is cultivated in Bulgaria is nearly 240,000 acres, almost every department of the country possessing vineyards of greater or less extent. Of the numerous samples however displayed in the exhibition, almost the only wine which can be appreciated by a critical palate is that produced by the State Agricultural School at Sadovo, near Philippopolis, which is manufactured on scientific principles and is excellent. The ordinary wine of the country is generally speaking barely palatable, owing to the rough and ready methods of cultivation and manufacture in vogue. With greater care and more scientific treatment there is nothing to prevent the wine industry from becoming a source of great profit to the country. Its future depends however on the success of the measures taken to stamp out the phylloxera, which has already begun to ravage the vines in North Bulgaria.

The few phials filled with otto of roses which were exhibited gave but an inadequate idea of the importance of the rose cultivation in Bulgaria; but so large a value of this substance is contained in so small a bulk—it is worth about 1*l.* per ounce

—that large quantities could naturally not be spared for the exhibition. The value of the annual exportation of otto of roses averages 70,000*l.*

One of the most interesting exhibits was that of Messrs. Stavrides, tobacco merchants, of Philippopolis, who illustrated in two small kiosks the whole process of tobacco manufacture. Outside the green plant was seen growing, while within operatives were sorting and cutting the dried leaves, rolling the cigarettes, and packing them in boxes.

The tobacco consumed in Bulgaria is entirely of native growth, and a small quantity is exported, but the quality is much inferior to the better kinds of Turkish tobacco though in many instances raised from Turkish plants. The localities where the cultivation is carried on lie chiefly at the foot of the Rhodope range.

Live stock was poorly represented, no doubt owing to transport difficulties and to the fact that the exhibition was opened at harvest time, when the services of horses, oxen, and buffaloes were required at home. The Model Farm at Sadovo was to the fore with the stud animals which are kept there for the improvement of the breeds of horses and cattle in the surrounding districts. No striking results have yet been obtained, and the owners of cows and mares who live at any distance from the farm appear to think the journey thither too great an exertion. The same institution showed some fine pigs of British descent, which were a great contrast to the gaunt, long-legged animals generally met with in Bulgaria.

The above, with a few horses, or rather ponies, and cattle from Plevna, and a small quantity of poultry, practically constituted the whole of this side of the exhibition, though the live stock of Bulgaria is by no means an unimportant factor in the agriculture of the country. The following are the numbers as given by the Ministry of Finance:—

Description.	Number.
Horned cattle..	1,680,983
Horses	325,526
Sheep	7,060,353
Goats	1,453,462
Pigs	441,062
Total	10,961,386

Fisheries and fauna.

The fisheries of Bulgaria, judging by the exhibits, are of trivial importance and the appliances of a primitive kind. Stuffed specimens of the fauna of the country attracted considerable interest, consisting of bears, lynx, red deer, roe deer, chamois, wild boar, badgers, and smaller animals. These are to be met with chiefly on the Balkans and the Rhodope. Fine collections of the birds of Bulgaria were also shown, the best being that of

Prince Ferdinand who is an enthusiastic naturalist. The varieties of birds of prey are in particular very numerous.

Minerals.

A small building was provided by the Government to contain specimens of the various stones and minerals found in the country. The only mine which is worked with any success is the coal mine of Pernik, which yields annually about 17,000 tons of inferior coal. A large block of this, weighing between 3 and 4 tons, was exhibited, and virtually represented the mining industry of the country, for though iron is extracted in the neighbourhood of Samakov the expenses of working are so great that imported iron can be bought cheaper, and the workings are gradually being abandoned. Bulgaria is said, however, to be rich in minerals of various kinds, and has not yet been thoroughly prospected.

Many of the specimens of marble and other stones were remarkably fine, but the quarries are, for the most part, at too great a distance from a railway to be worked at a profit. Deficient means of transport, want of fuel, and lack of capital combine to render the development of the mining industry of Bulgaria a matter of considerable difficulty for some time to come.

Foreign exhibits.

The values of the exhibits of the different foreign nations which took part in the exhibition are stated to be as follows:—

Country.	Value.
	£
Austria-Hungary	44,730
Turkey	4,050
Germany	1,715
France..	1,650
United States	140
Great Britain..	96

While I cannot vouch for the absolute accuracy of the above figures (which were published by a Philippopolis newspaper), they may be taken as giving a fair idea of the relative contributions of the countries mentioned.

In view of the considerable falling-off of recent years in the value of British imports to Bulgaria, it seems a pity that our manufacturers did not take an active part in the exhibition and profit by so unique an opportunity of bringing their goods before the eyes of their Bulgarian customers. As it was, the only British exhibits were two models of ships of war, built by Armstrong and Co., which attracted more attention and interest than perhaps anything else in the exhibition; a plough or two, and a winnowing machine. The last-named were not shown by the manufacturers, but by a local dealer in agricultural implements who had bought them.

In marked contrast to British apathy was the energy shown by our Austro-Hungarian rivals in the Bulgarian market. Their

exhibits were housed in two large and imposing buildings, the one for Hungarian and the other for Austrian and Bohemian productions. While the Hungarians confined themselves fairly strictly to the original conditions on which foreigners were invited to take part in the exhibition, viz., that only agricultural and industrial machinery and appliances should be shown, the Austrian manufacturers stole a march on their fellow-subjects, and, with a fine disregard of all restrictions, exhibited nearly every article produced in their country, from ploughs to harmoniums and cheap jewellery. This led to complaints on the part of the Hungarians and a small family quarrel.

I am assured by competent judges that the Austro-Hungarian machinery in general was of poor quality and worked unsatisfactorily, and that the immediate orders obtained were altogether out of proportion to the expenses incurred, which must have been considerable. However, so extensive an advertisement will doubtless give results eventually.

The miscellaneous Austrian exhibits, furniture, hardware, glassware, textiles, musical instruments, pinchbeck ornaments, paper, biscuits (the last-named packed so as to closely imitate well-known British brands), perfumery, and the like, seemed, with few exceptions, rather trashy. Nevertheless, a brisk retail business was done in these articles in the Austrian section, rather to the disgust of the Philippopolis tradesmen, who saw the extra custom which they anticipated from the exhibition thus diverted into a foreign channel.

Until a very short time before the opening of the exhibition Turkey seemed determined to boycott the whole affair. At the eleventh hour, however, orders were given that exhibits should be provided representing the products of Turkey, and, in spite of the short notice, the Turkish Pavilion became quite the show place of the exhibition. The principal exhibits were carpets, embroideries, jewellery, silks, and inlaid mother-of-pearl work.

The numerous agricultural appliances and machinery of German make quite outshone those exhibited in the Austro-Hungarian sections, being evidently stronger and better designed. The chief exhibits were a light railway 300 metres long, with trucks, &c., complete (Krupp), grinding machinery and models of movable turrets from the Grüson works, steam saws, ploughs, reapers, &c. Two 12 horse-power steam engines found an immediate sale.

The French exhibits consisted of agricultural machinery and implements, which seemed to gain the approval of the Bulgarian farmers who inspected them, but I have not heard of the exhibitors doing any business.

The American agricultural implements, light and strong and made on the interchangeable system, are old favourites in Bulgaria, and there is always a fair demand for them. A number of American sewing machines were also exhibited.

Industrial and Agricultural Congress.

In connection with the exhibition an "Agricultural and

Industrial Congress" met at Philippopolis during the month of October, 1892. This congress, composed of representatives from the various departments of the principality and certain officials from the Ministry of Finance, embodied the result of its deliberations in a series of recommendations for the improvement of agriculture and industries, of which the following is a summary:—

Agriculture.

The system of model farms and agricultural schools should be extended, and students who have passed the course should afterwards be employed by the State as teachers throughout the country. The tithe system should be re-organised. A law for the extermination of locusts and other noxious insects should be passed. For the encouragement of viticulture Government cellars should be established to store wine in; foreigners should be invited to engage in wine-making; native wines should be exempted from octroi duties, and the Government should find markets abroad for them; improved implements should be used, and American vines introduced to combat the phylloxera. Government ought to encourage sericulture by bounties, and at the same time teach improved methods and furnish healthy seed. Market and fruit gardens ought to be exempted from taxes for a period of 20 years, and receive bounties on exportation.

With regard to industries, the congress states that private enterprise being unequal to the task of reviving them, Government interference is necessary. For the various handicrafts self-governing guilds must be formed; Government should establish public workshops for the training of skilled workmen, and send the most promising pupils abroad to complete their training at the public cost, and should further provide machines and tools.

Coming to the larger manufacturing industries, the congress recommends that agriculturists should sell raw materials cheaper to the manufacturers, and that a law should be passed for the encouragement of industries similar to the one in force in Roumania, by which all manufactories in which a minimum capital of 1,000*l.* is engaged enjoy certain privileges, *e.g.*, free sites, 15 years' exemption from Governmental and municipal taxes, and from custom-house duties on imported machinery and raw material, low rates of transport on railways, and bounties. Government should make a point of giving to native manufacturers all contracts for the supply of uniforms to soldiers, police, and Government servants in general, and, finally, should raise the import duties on foreign manufactures while inducing other countries to lower theirs on Bulgarian manufactures!

The following general observations were also made, applicable alike to industries and agriculture:—It would be wise to create a new Ministry for Agriculture, Industries, and Commerce, with a special newspaper. The facilities afforded by agricultural banks should be extended, roads and railways

developed, commercial museums opened, and the present exorbitant rates on the Oriental Railways lowered.

Acting on one of the above suggestions, the Minister of Finance laid before the Sobranie in November last a Bill for the Encouragement of Native Industries, on the lines of the Roumanian law quoted by the congress. This Bill has apparently been shelved, at least for the time being. Beyond the creation of a new Ministry, which will take place if the Grand Sobranie approves the projected changes in the Bulgarian Constitution, no other step has yet been taken by the Government towards carrying out the recommendations of the congress, some of which would obviously entail greater expenses than the State could well support.

Imports.

Judging by the complaints of import merchants, 1892 was by no means a satisfactory commercial year, and I am surprised to find that, according to the figures given by the Philippopolis custom-house, the value of all imports, instead of falling short of those of the previous year, show, on the contrary, a slight increase.

The respective values are—

Year.	Value.
	£
1891	417,161
1892	418,476

That the imports should have increased in value, in spite of the serious restrictions imposed on trade by the prolonged quarantine, is a proof of the growing importance of Philippopolis as a distributing centre for the surrounding districts.

British imports.

In the absence of detailed statistics from the custom-house, it is hard to say accurately the exact proportion which British imports bear to the total amount. In 1889 they were estimated by my predecessor at 35 per cent. of the whole, but they have now probably fallen to rather less than one-third, or, roughly speaking, 130,000*l.*

Woollen and cotton goods.

Our principal articles of importation are cotton piece-goods and yarns, woollen goods, and linens. All of these have of recent years suffered to some extent from Austrian competition, but there are indications that the tide is beginning to turn. This is particularly the case with British woollen stuffs, which are now in increased demand. Our cotton yarns in the lowest numbers, 8 downwards, are undersold by yarns from Salonica, Trieste, and Constantinople, but the higher numbers of British yarns hold the field against all competitors. In cotton piece-

goods our manufacturers are making greater efforts to suit native taste than formerly. For instance, I hear that "Aladjas" are now being imported from England, and that the native cotton fabric used for shirts has been successfully imitated at Manchester.

Colonials. Colonials to the value of about 4,000*l.* were imported from England, consisting of coffee, incense, tea, spices, and chemicals. The importation of coffee from England is decreasing, for the rapid fluctuations in the price of this article led merchants to prefer to buy it from the nearest markets, and in consequence it now comes principally from Genoa and Marseilles.

Iron and hardware. A certain amount of tools, in which good quality and durability are essential, are still imported from England, *e.g.*, saws, files, lathes, and stone breaking and cutting hammers; but in general carpenters' tools are now supplied from Germany, as often as not with "Sheffield" stamped on them. The importation of British iron and hardware in general is on the decrease.

The importation of British agricultural implements during 1892 was quite insignificant, not amounting to 100*l.* There is a greater, though still unimportant, demand for implements of American make, as well as Austrian and German, and these three countries seem to have obtained nearly all the orders given by cultivators who visited the exhibition in the autumn. For this result our manufacturers have only themselves to thank.

Minerals. Tin and copper were imported from England to a value of 8,000*l.*

Sacks. The quantity of sacks, new and old, imported from Calcutta and Dundee was 95,000, of a total value of nearly 2,000*l.* The importation of this article is increasing. Small quantities of duck for lining boots and canvas for packing cocoons were also imported from England.

Exports.

Exports. The value of the goods exported through the Philippopolis custom-house alone was 92,000*l.*, a decrease of 6,000*l.* compared with 1891.

Cereals. The grain crop of 1892 in the department of Philippopolis was very abundant, amounting altogether to 127,100 tons, against 94,500 tons in 1891, though the latter was regarded as a good year. In quality, however, the 1892 crop was much inferior to that of the preceding year, and was, in fact, wretchedly bad. The very heavy rains experienced in the early summer were responsible for this untoward result. Prices ruled very low throughout the year, and of the 60,000 tons of grain available for export only one-third actually left the country, the rest remaining in stock in merchants hands, in the Government tithe stores, or still unsold in the villages.

Turkey was the principal buyer, taking 8,000 tons, of which 6,000 tons of soft wheat for Constantinople direct, and 2,000 tons, chiefly barley, for Adrianople and other stations along the Constantinople line. The shipments for Europe were made viâ Dédéàgatch, at which port 1,500 tons still remain in stock. Of the remainder, 6,000 tons went to Marseilles, 2,000 tons to Greece and the Greek islands, about 2,000 tons to Holland, and 500 tons to various European ports.

Wine.

Both the quality and the quantity of the wine produced in 1892 was very inferior. This state of things was due to a disease (not phylloxera) which attacked the vines, and to another disease which caused the grapes to rot. No exportation of wine took place during the year. There is still a considerable amount of wine in stock, but as the greater part of it was frozen during the very severe winter it is anticipated that it will turn with the first heat. The want of proper cellars for storing wine is much felt.

Skins.

200,000 lambskins were exported, of which 150,000 went to Austria, the remainder to Germany. Prices averaged 1*s.* 7*d.* to 1*s.* 8*d.* apiece. All the kidskins (120,000) exported were for Paris—average price, 1*s.* 11*d.* each. Most of the 30,000 goatskins went to London for America, and fetched 1*l.* 9*s.* a dozen. Both kid and lambskins were inferior to previous years in weight and quality.

Tobacco.

The tobacco crop of 1892 surpassed that of the previous year in quantity, but the quality was inferior. 120 tons of the lowest qualities were exported through Bourgas.

Otto of roses.

Owing to untimely rains just before the rose harvest, the 1892 yield of otto was very small, amounting only to 250,000 miskals, or about 2,750 lbs., little more than half an average crop. On the other hand prices were high, 5 fr. to 5½ fr. per miskal, and the total value of the yield was approximately 52,000*l.*, the average being between 60,000*l.* and 70,000*l.* The principal countries of export were England, Germany, France, and the United States.

It is feared that the extreme cold of the past winter will result in another small crop for 1893.

Wood.

A small quantity of walnut wood from Karlovo was exported to Austria to be made into gun-stocks.

Cocoons.

The cocoon crop was an excellent one, and good prices were obtained. About 60,000 kilos. of cocoons were exported, principally to Italy.

Silk.

Nine bales of 220 lbs. each of silk spun by the new Stanimaka factory were also exported to France, where the silk was pronounced by experts to be of first-rate quality and equal to Broussa. This factory, which was only opened in the summer for two or three months, and will remain closed until the coming cocoon season, was erected by Mr. V. Shopoff, a gentleman of this town, and is to be handed over by him to a limited liability company, the "Svila," with a capital of 8,000*l.* in shares of 8*l.* each.

New silk factory.

A few skilled female operatives were brought from Adrianople to act as instructors to the local workpeople, who have shown themselves remarkably apt pupils. Owing to the intrigues of the Adrianople silk spinners, who, jealous of the appearance in the field of a rival establishment, induced the Turkish authorities to impede the departure of these instructors, the latter had literally to be smuggled across the frontier into Bulgaria. The number of operatives employed will exceed 200, and the maximum annual output be 100 bales of 100 kilos. (220 lbs.).

Starting as it does under favourable conditions, in the centre of the most productive cocoon district of Bulgaria, and with abundance of cheap labour to hand, there is every reason to expect that, if intelligently managed, the "Svila" will successfully inaugurate a new Bulgarian industry.

VARNA.

Mr. Vice-Consul Brophy reports as follows:—

General Review.

Improvement in trade.

The result of a comparison between the year 1892 and the two preceding years is decidedly satisfactory, whether it be as regards British trade alone or else the recovery of the commerce of the country from a fortunately only temporary depression, the totals of both imports and exports being higher than in any year since 1887.

Direct British imports increasing.

From the shipping tables annexed it will be observed that British imports landed by British steamers have increased considerably.

This does not, however, mean that our commerce has grown to anything like the same extent, but simply that goods from London and Manchester are being now more and more shipped direct from London and Liverpool instead of being, as formerly, transhipped at Constantinople on board of foreign vessels. Still this tendency seems to be steadily increasing, and cannot but have a favourable influence on the development of our commerce, for not only has the number of direct steamers increased, but they also bring larger quantities of cargo than they did a year or two ago.

Future prospects.

Whether this improvement will be maintained in the current and next year depends mainly upon the result of next harvest.

Last year's harvest abundant.

As anticipated, the grain crop of 1892 was very bountiful, and had it not been for the low prices ruling there would have been a still larger quantity exported. As it is, those growers who are in a position to do so are holding back their surplus stocks in the hope of a rise later on.

Stocks of grain still unsold.

The winter of 1892–93 was a very severe and prolonged one, and autumn-sown wheat suffered so much that in many cases the land had to be re-sown in spring. Contrary to the experience in the north-western parts of Europe the spring hereabouts has been very cold and humid, and even at the time of writing—the beginning of June—vegetation in general is nearly, if not quite, three weeks behindhand, so that it is difficult to forecast the result of the next harvest.

Vegetation backward.

This much, however, may safely be said, that, provided there is a fair allowance of moisture, with forcing weather, during the next fortnight, and if towards the end of July there is a plentiful rainfall—for the sake of the maize fields—the 1893 cereal crop is likely to come up to a fair average.

With favourable weather next crop a fair average.

Would-be sellers at home sometimes do go as far as sending out catalogues in French or some other foreign language, but most of them, even then, persist in retaining the intricate English standards of weights and measures, and of the two evils restricting possible business here, the English language or the English system of measurements, the latter is almost the greater.

British exporters should give the metrical equivalents of English measures.

The metrical system is the one now employed throughout Bulgaria, and it is useless for British manufacturers—especially of machinery and hardware—to expect that their potential foreign customers will give themselves the trouble of learning by heart our avoirdupois and dimension tables in order to be able to puzzle out quarters, pounds and ounces, yards and inches, gallons, pints, &c., into their metrical equivalents.

Imports.

The total value of imports, 606,700*l.*, exceeds any noted of late years. It is true that the Bulgarian official statistics for the year 1889 gave 642,000*l.* as the estimated value of merchandise from foreign countries landed at Varna. But, for reasons indicated in my Trade Report for that year, a truer valuation would have set it down at a considerably lower figure. I should now be inclined to state it at about 580,000*l.*

Increase.

The quantity in tons imported is slightly inferior to that of the preceding year, but that is attributable to the fact of only one cargo of coal having arrived during the twelvemonth ended last December.

The largest factors in this augmentation come under the heads of colonials (12 per cent. increase); metals (28 per cent.); and textiles (21 per cent. increase)—precisely those articles in which Great Britain is chiefly interested. It is, therefore, not surprising to find that the United Kingdom figures for 47 per cent. of the total imports into Varna during last year, as compared with 40 per cent. in 1891, and 42 per cent. in 1890.

Great Britain 5 to 7 per cent. increase on gross total of imports.

Austrian trade has, if anything, gone back 1 per cent. or 2 per cent., while Turkish imports have increased by about the

Participation of foreign countries.

same amount. The other foreign countries' participation in the market remains very much as it was before.

Classes of goods

As mentioned above, colonials, metals, raw and worked, and textiles of all sorts, including yarns, are the classes that most concern the British exporting houses, and in these there has been a marked improvement.

Colonials, metals, and textiles, increase.

Unfortunately, the official Bulgarian statistics at present to hand do not enter into details sufficient for an examination into the various branches of these large categories, and although much more complete sets of statistical tables are published later on, they are available too late for the purposes of a Trade Report, unless it were deferred to the end of the current or the beginning of the ensuing year.

Alcohol, provisions, petroleum, paper. Increase, mainly due to low stocks.

Alcoholic liquors, preserved provisions, mineral oils (petroleum from Batoum), and paper products show an increase of from 12 per cent. to 50 per cent., but the increase is mostly due to the necessity of replenishing diminished stocks.

Exports.

Last year I had occasion to point out that the value of the grain exports from Varna for the year 1891 had been understated by the Bulgarian Statistical Office to the extent of about 15 per cent. This year the appraisement is about right, but confirms the fact of an error in their former estimate. Thus for the year 1891 the ton of grain, wheat being always the principal item, was valued at 5*l.* 3*s.* 4*d.*; this time, however, it is set down at a fraction more, 5*l.* 4*s.* per ton, or say 1*l.* 2*s.* 3*d.* per quarter.

The average spot price of grain, nevertheless, was, during last year, about 20 per cent. lower than in 1891.

Abundant harvest. Wheat.

Thanks to an extremely abundant harvest, although wheat was light in weight as compared with the quality of the previous year, there was a large surplus for exportation, and, according to all accounts, the peasants are still retaining a certain quantity in their hands, which is of course a very good sign. The

Maize good crop.

maize crop, too, was a good one, but its shipments will not figure till next year's returns.

Poultry trade; steady decline in

Poultry used to be and still is an important article of export from Varna, but of late years the quantity raised has been steadily dwindling; thus within the last 2 years alone there has been a diminution of 45 per cent. This it owing mainly to the emigration of the Mussulman population who are the chief breeders of poultry.

Mussulman Emigration.

Lands untilled by reason of Turkish peasant farmers emigrating.

It is unfortunate for the country that the outward flow of the Turkish peasant element still continues, although they have, of recent years, nothing to complain of on the score of

ill-treatment, and although the Government, rightly recognising them as a source of wealth which the principality with its large tracts of untilled arable land can ill afford to lose, does its best to discourage their emigration.

The annual official report on the department of Varna for the twelvemonth ended July 1–13, 1891, gives a local Mussulman population of 96,000 out of a gross total of 212,000 inhabitants.

No trustworthy statistics were obtainable during the Turkish rule in these parts, but the number of Turks resident within the same area before the Turco-Russian War was roughly calculated at over 120,000.

At any rate, the official report above quoted states that over 5,300 Mussulman emigrated from this district alone during the $3\frac{1}{2}$ years comprised between January, 1888, and July, 1891, and the same exodus is going on from the Shumla, Roustchouk, and Silistria departments where, also, the Turkish villagers are strongly represented, while, naturally, during the first years after the war the number of emigrants was very large.

It is true that owing to the increased public security—notably the non-existence of that former scourge of the agricultural class—the cattle lifting Circassians—the Bulgarian peasants do take up a great deal of the land thus abandoned, but their numbers and means cannot keep pace with the emigration movement.

Balance of Trade.

It will be seen that during 1892 at the Port of Varna was imported merchandise to the value of 606,700*l.*, and that the exports amounted to 527,900*l.* The commercial operations at the Port of Baltchik, belonging to this district, have, however, to be taken into consideration. The amount of grain shipped thence was 44,080 tons, value 216,000*l.*, while the imports were only 3,495 tons, of the value of 9,300*l.*, thus leaving a balance of exports over imports of 130,000*l.*, or about 21 per cent.

Exports exceed imports by one-fifth.

Shipping.

For the first time upon record has the number of British ships (75) doing business at Varna to any degree approached that of the Austrian vessels (78), while their total tonnage (83,000) slightly exceeds the Austrian (81,172).

British steamer tonnage greater than that under any other flag.

This is, no doubt, due to the quarantine restrictions during last year, preventing the Austrian Lloyds from keeping up their regular voyages to and from Constantinople; but then, on the other hand, it must be remarked that 43 British steamers brought nearly as much cargo as the 78 Austrian, that is to say, 7,500 tons as compared to 8,034.

Austrian.

10 steamers of Deutsche-Levante line from Hamburg and

German.

Antwerp arrived with nearly 700 tons of cargo, as compared with 4 steamers and about 150 tons the year before.

Direct shipments supplanting transhipments.

There seems to be a growing tendency for merchandise to be forwarded direct, so that in the future the Austrian, Turkish and Greek lines of steamers, which have, hitherto, brought on cargo transhipped at Constantinople, will probably find their business gradually diminishing.

Freights: very low.

Freights on grain were wretchedly low during the whole of the year in review, and varied from as little as 7*s.* per ton to only 13*s.* per ton, and the mean may be taken at 8*s.* 6*d.*

Public Works and Private Enterprise.

Harbour works deferred.

Although the Bulgarian loan for the construction of certain lines of railway and the harbours of Bourgas and Varna has been successfully raised, the works at the port of Bourgas have not, as was intended, been yet commenced, nor will they, in all probability, be set about at all this year.

The original plans for these two harbours were drawn up by Sir Charles Hartley, the eminent marine engineer, who in 1889–90 was employed by the Bulgarian Government to survey these ports. For reasons of economy, the Sofia authorities had these plans modified, and invited tenders for the construction of the Bourgas works.

The foreign contractors, however, considered the specifications (cahier des charges) too onerous, besides not being clear enough, and they also refused to guarantee the solidity of the structure if the proposed changes were carried out. The scheme, therefore, will probably have to be remodelled, and it is to be hoped that next year will see the inception of these useful undertakings.

Bulgarian Steam Navigation Company.

This Steamship Company, projected some years ago, has now been fairly started, although actual operations are not likely to commence before next year.

The capital is 2,000,000 fr. in 5,000 shares of 400 fr. each, of which the Government engage to take up one-fourth, and to pay a subsidy of 9 per cent. on the paid-up capital. Already shares to the value of 1,300,000 fr., including the Government fourth, have been subscribed for, and in the course of two or three months it is proposed to hold a general meeting to decide as to whether the order for the steamers is to be given at once, or else not until the subscription list has been filled up.

The idea is to have built, probably in the United Kingdom, two first-class steamers, one of about 800 gross tonnage and the other about 1,200 gross tonnage; the former for the coasting trade between the Bulgarian Black Sea ports, and the second for the service between Constantinople and Varna.

A former Trade Report of Her Majesty's agency at Sofia drew attention to the seemingly innate talent of the Bulgarians for social co-operation.

This trait of character has lately been exemplified by the creation, even in the small towns and large villages, of societies or companies—the capital being furnished by the local shareholders, not borrowed from outside—for the furtherance of local industries, whether technical or else belonging to agriculture. Bulgarian aptitude for co-operation. Country districts.

Rather more than a year ago was established at Roustchouk a Fire Insurance Company, having branches throughout the country, and the experience of the first twelvemonth was so satisfactory that the Company decided to extend their operations, and issued an invitation for the augmentation of the capital, which was so largely responded to that the sum applied for was several times covered. Bulgarian Fire Insurance Company.

At the town of Shumla, too, within this consular district, a Company has been in existence for some time, occupying itself with big contracts and public undertakings, and having in its employ competent engineers, architects, &c. Their operations have, I believe, been hitherto successful and lucrative. Shumla General Contract Company.

Varna has not yet distinguished itself by any initiative on these lines, except it be for the Steamship Company before mentioned, and the reason of this backwardness may be ascribed to the diversity of the local national elements, which at present do not always pull well together, but there are not-to-be-mistaken signs that in the near future the indigenous Christian population will form a homogeneous whole.

The Varna vineyards are fairly extensive, covering 4,970 acres; the quality of the wine is considered the best in the principality, and the yield is not so precarious as in many other wine-growing countries.

Last year the yield of grapes was so unexpectedly great—about 14,000,000 lbs. of fruit, representing about 840,000 gallons of wine—that all kinds of old and queer receptacles had to be utilised in order to store the wine; naturally to the prejudice of its flavour and keeping properties, and a good deal of the grapes were sold at 60 fr. to 80 fr. per kadoss, a measure which would bring the must to the value of about 4½*d.* per gallon, though the average price was about 7½*d.* per gallon. The quality also, although rather lighter than is usual in good years, say 9 degrees to 11 degrees of alcohol as against 10 degrees to 13 degrees, was very fair. Vintage, 1892, extremely abundant.

It is therefore strange that the people here do not seem to be alive to the profits to be secured by starting a Company to build proper wine-cellars, of which very few exist at present, in which they could store and tend the must bought from the growers, or, still better, they might at the time of vintage buy the grapes in the vineyards and have them rationally collected and sorted. Room for a company to promote Varna wine industry.

At a distance of only a few miles up the railway line connecting this place with Roustchouk has been discovered an extensive tract of siliceous sand, which, according to the analysis of the European scientists to whom samples were sub- Glass works to be started.

mitted, would furnish the material for glass of superior quality.

Private individuals have acquired from the Government the right to work the bed, and a beginning of operations for the manufacture of bottles is to take place this summer.

Proposal to increase the capital of the agricultural banks.

It is very much to be regretted for the welfare of the country that the Bill introduced last year by the former Finance Minister, M. Natchevitch, for increasing the capital of the Agricultural Banks by issuing to the general public shares bearing 6 per cent. guaranteed interest, and a prospect of further bonuses, has not become law.

The scheme was almost universally praised as offering sufficient security, while the peasant borrower was released from many formalities for which he has such dread or disgust that he generally prefers to go to some private usurer who will lend him the money wanted, at rates, no doubt, three or four times higher, but who only requires from him his signature or cross on a piece of paper.

RETURN of Imports and Exports at the Port of Varna during the Year 1892.

Class of Goods.		Imports.		Exports.		Observations (Values Compared with Previous Year).
		Quantity.	Value.	Quantity.	Value.	
			£		£	
1. Live stock—cattle, sheep, poultry, &c.	Head ..	3	...	237,914	14,686	Mostly poultry; 20 per cent. less; imports, 28*l.* per ton; exports, 32*l.* per ton.
2. Meat, fresh and cured	Tons ..	204	5,730	807	25,785	Exported to Turkey; 10 per cent. less.
3. Wheat and bread-stuffs	„ ..	1,147	15,100	88,287	459,050	·40 per cent more exported; (5*l.* 4*s.* per ton).
4. Fruit, vegetables, and seeds	„ ..	645	8,000	73	740	
5. Colonials	„ ..	3,607	73,200	54	2,300	·12 per cent. more imported; imports, 20*l.* per ton.
6. Alcohol—wine, beer, liqueurs, &c. .	„ ..	680	17,730	2	30	·12 per cent. more imported; imports, 26*l.* per ton.
7. Preserved provisions and confectionery ..	„ ..	484	9,500	..	..	·30 per cent. more imported; imports, 20*l.* per ton.
8. Manure, refuse and grain-tailings ..	„ .	3	60	456	1,400	
9. Fuel	„ ..	1,561	1,600	...	..	Coal, ·70 per cent. less.
10. Chemical products	„ ..	478	4,080	..	..	About the same; imports, 10*l.* per ton.
11. Dye-stuffs, paint, and varnish	„ ..	267	7,000	..	..	About the same; imports, 26*l.* per ton.
12. Resins, gums, and mineral oils	„ ..	1,884	15,300	..	..	About ·50 per cent. more imported; imports, 8*l.* per ton.
13. Oils, fats, wax, and their products ..	„ ..	1,473	42,500	..	..	About the same as last year; imports, 29*l.* per ton.

RETURN of Imports and Exports at the Port of Varna during the Year 1892—continued.

Class of Goods.		Imports.		Exports.		Observations (Values Compared with Previous Year).
		Quantity.	Value.	Quantity.	Value.	
			£		£	
14. Drugs, medicines, &c.	Tons	26	1,800	..	..	·30 per cent. increase; imports, 70*l.* per ton.
15. Perfumery	„	5	500	..	..	
16. Earthenware, glassware, and stoneware	„	1,790	10,000	37	100	·18 per cent. increase; imports, 5*l.* per ton.
17. Metals, rough and manufactured	„	2,404	46,100	..	..	·28 per cent. increase; imports, 19*l.* per ton.
18. Wood and timber, rough and worked	„	1,740	25,400	108	1,000	3·50 per cent. increase; due to palace furniture from London; imports, 14*l.* per ton.
19. Paper and paper pulp	„	447	8,500	..	..	·25 per cent. increase; imports, 19*l.* per ton.
20. Leather skins and furs, dressed and undressed	„	346	36,350	414	14,100	About the same; imports, 105*l.* per ton; exports, 34*l.* per ton.
21. Textiles and felt	„	2,860	257,500	48	8,600	Imports, ·21 per cent. increase; exports, ·08 per cent. less; imports, 90*l.* per ton.
22. Indiarubber and oilcloth	„	5	1,100	..	..	
23. Railway plant, carriages and boats	..	..	100	..	..	
24. Machines, instruments and apparatus	Tons	101	9,200	..	..	One-third less imported; imports, 92*l.* per ton.

RETURN of Imports and Exports at the Port of Varna during the Year 1892—continued.

Class of Goods.		Imports.		Exports.		Observations (Values Compared with Previous Year).
		Quantity.	Value.	Quantity.	Value.	
			£		£	
25. Ironmongery, fancy articles, and jewellery	Tons ..	14	3,000	..	..	Imports, 214*l.* per ton.
26. Books and works of art	„ ..	9	500	..	..	
27. Articles other than above, including gunpowder, matches, &c.	„ ..	723	4,950	35	109	A large increase.
Total	..	22,903	606,700	90,323	527,900	
„ for the preceding year ..	..	23,491	525,650	65,738	409,925	

	Imports.		Exports.	
	Quantity.	Value.	Quantity.	Value.
	Per cent.	Per cent.	Per cent.	Per cent.
Totals compared with previous year 1891— Increase	·7	·15	·37	·29

RETURN of Imports and Exports at the Port of Varna during the Year 1892.

Countries.	Imports.			Exports.		
	Quantity.	Value.	Per Cent.	Quantity.	Value.	Per Cent.
	Tons.	£		Tons.	£	
Great Britain ...	7,427	290,000	·47	33,248	184,600	·35
Austria	4,289	94,000	·16	1,413	11,200	·02
Belgium	630	9,200	·02	4,430	22,000	·04
France	1,300	28,400	·05	11,700	61,300	·11
Germany	463	23,200	·04	12,000	47,800	·09
Italy...	702	11,400	·02	8,572	45,200	·09
Russia	2,044	20,600	·03	....	...	...
Switzerland ...	70	7,200	·01	...	...	...
Turkey	5,697	118,700	·20	18,500	151,300	·30
Other countries	281	4,000	...	460	4,500	...
Total	22,903	606,700	1·00	90,323	527,900	1·00
,, for the year 1890	26,790	583,540	...	68,000	419,550	...

COMPARATIVE Table showing Average per Ton of Gross Values of Imports and Exports for the Years 1892 and 1890.

Year.	Value per Ton.	
	Imports.	Exports.
	£ s. d.	£ s. d.
1892	26 10 0	5 12 6
1890	22 7 6	6 3 3

TABLE showing Average per Ton of Value of Imports for the Year 1892.

Nationality.	Average Value per Ton.
	£
British	40
Austrian	22
Belgian	15
French	22
German	50
Italian	16
Russian	10
Swiss	103
Turkish	21

TABLE showing Average per Ton of Value of Grain Exports for the Years 1892–91.

Year.	Value per Ton.
	£ s. d.
1892..	5 4 0
1891	5 3 4

RETURN of all Shipping at the Port of Varna during the Year 1892.

ENTERED.

Nationality.	Sailing.		Steam.		Total.		Value of Cargoes.
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	
							£
British	...	...	75	83,000	75	83,000	185,800
Austrian ...	...	...	78	81,172	78	81,172	343,000
Italian	...	...	14	20,700	14	20,700	...
French	...	...	11	19,600	11	19,600	640
Greek	13	3,275	32	9,419	45	12,694	6,000
Turkish	40	3,500	76	30,500	116	34,000	50,000
German	...	...	10	14,500	10	14,500	17,500
Others	2	245	2	1,800	4	2,045	3,760
Total	55	7,020	298	260,691	353	267,711	606,700
,, for the year preceding ...	49	8,394	327	355,428	376	363,822	525,650

CLEARED.

Nationality.	Sailing.		Steam.		Total.		Value of Cargoes.
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	
							£
British	...	...	75	83,000	75	83,000	294,540
Austrian ...	...	...	77	80,688	77	80,688	65,400
Italian	...	...	14	20,700	14	20,700	81,500
French	...	...	11	19,600	11	19,600	5,200
Greek	14	3,642	32	9,419	46	13,061	45,000
Turkish	41	3,580	78	31,300	119	34,880	25,000
German	...	...	10	14,500	10	14,500	6,800
Others	1	100	1	1,100	2	1,200	4,440
Total	56	7,322	298	260,307	354	267,629	527,900
,, for the year preceding ...	48	8,027	328	357,627	376	365,654	460,280

RETURN of British Shipping at the Port of Varna in the Year 1892.

Direct Trade in British Vessels from and to Great Britain and British Colonies.

Entered.								Cleared.							
Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.	Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.
With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.			With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
43	...	43	...	48,384	48,384	1,005	£ 185,800	...	43	43	...	48,384	48,384	1,005	£ ...

Indirect or Carrying Trade in British Vessels from and to other Countries.

Entered.								Cleared.							
Countries whence Arrived.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.	Countries to which Departed.	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.
	With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.				With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		
								£									£
Turkey	1	31	32	500	34,116	34,616	704	2,000	Gibraltar, orders	20	...	20	20,457	...	20,457	422	215,500
									Germany ...	3	...	3	3,451	...	3,451	68	21,600
									Holland	2	...	2	1,936	...	1,936	45	11,400
									Belgium	2	...	2	2,592	...	2,592	46	27,000
									Italy	2	...	2	2,512	...	2,512	56	8,070
									France	1	...	1	1,411	...	1,411	29	5,600
									Turkey	1	1	2	1,099	500	1,599	33	5,370
Total	1	31	32	500	34,116	34,616	704	2,000	Total	31	1	32	33,458	500	33,958	699	294,540

ROUSTCHOUK.

Mr. Vice-Consul Dalziel reports as follows:—

The trade of the Roustchouk district for the year 1892 must have suffered as a whole. Most certainly Russian and German imports have suffered severely from the quarantine regulations, although in other respects it has been fairly good; indeed, the principal British imports show an increase in quantity, viz.— **Trade fairly good.** **British imports increased.**

Description.	Per cent.
Manchester cloth, grey, white, and printed	11
,, yarns ,, dyed ..	28
Cardiff coals for public consumption ..	66

Or 1,571 tons, against 934 tons last year.

The Bulgarian Government Statistical Office now publish very complete statistics, in Bulgarian and French, of all exports and imports. Unfortunately, these are not yet ready, and we cannot at this time of the year compare 1892 with 1891. All we can do is to compare 1891 with 1890. **Bulgarian official statistics.**

I append a table of the general imports and exports for all the ports in my Vice-Consular district, classified under 27 heads, and those may be compared with the tables in my last report, notwithstanding that the latter were classified under only 17 heads and a great many sub-heads. Persons desirous of obtaining more exact details as to any article may procure the official report from Sofia, which shows, in 1892, about 800 sub-heads—in fact, almost every possible article separately, and the country from which it was imported or to which it was exported. As this is a work of enormous detail, and occupies hundreds of pages in a closely-printed quarto volume, it is needless to say that it cannot be given here.

Imports of Manchester goods, of which I have given statistics obtained from the merchants, were, as before stated, 11 per cent. and 28 per cent. heavier than last year, and I understand that stocks on December 31 were low. **Remarks on imports. Piece-goods.**

Coals for general consumption increased by two-thirds, as I had foreseen, but even that increase was not nearly enough for the demand, for in the latter part of winter scarcely a ton remained in stock, and the price rose to about 3*l.* 4*s.* per ton for Cardiff, instead of the normal price of about 2*l.* **Coals.**

The coal for Government use, in railway or arsenals, will now appear in the Varna report, as all imports are made there and conveyed here by rail. **Government coal.**

London-made biscuits were imported in fabulous quantity towards the end of the year. I rather think the business was a little overdone, but no doubt direct importation, instead of **Biscuits.**

being, as hitherto, through Roumania, will give great impetus to the consumption.

Machinery.

Several new-fashioned oil and electric motor engines have been imported. I took a great interest in trying to introduce these, thinking them eminently suited to the needs of the country, especially in those large districts where no water-power can be had, and no coal exists nor can be introduced at a reasonable price. I am now, however, afraid that they are too complicated and easily put out of order for this country, where there are no mechanical workshops nor the necessary skill to execute repairs. I am also sorry to say that, from a business point of view, my efforts were not seconded by the makers. For instance, I asked a British house of high standing to undertake the agency, and to keep always one or two in stock, and also extra pieces for repairs. This would have been a sure and practical means of selling these motors. The makers, however, possibly thinking that they might make a few extra sales to outsiders, refused to grant an exclusive agency, and I feel convinced that they have sold fewer, instead of more, in consequence, for of course the agency on their conditions was not worth having.

Want of local mechanical skill.

Manufacturers will not accommodate themselves to Bulgarian necessities for doing business.

I also persuaded a banker in Constantinople to buy one for the use of his farm near this place, and it came out and was worked for some time, till something went wrong and repairs were needed. The banker ordered several articles needed for the repairs, amounting to about 40*l.* in value, and told the makers to ship them to care of my Varna colleague, who kindly undertook the forwarding, and to draw on himself at sight for the amount of invoice. The goods were sent to the care of our Vice-Consul at Varna, and a bill at sight was drawn on him for the 40*l.*, and the first that either the banker or anyone else heard of the expedition was a complaint from Mr. Vice-Consul Brophy that he had had advice of a bill drawn on him of which he knew absolutely nothing. Luckily the farmer happened to be in town when Mr. Brophy wrote to me, and he called on the Imperial Ottoman Bank to ask if the bill might not pass through them, and caught it here in the act of being sent to Varna for presentation. It is needless to say that this was not business, and until British manufacturers go to work more methodically they may complain as they like about foreign competition, but they will be beaten by it.

Absolute necessity for good agents.

British manufacturers, as a rule, can make cheaply enough, but they cannot sell, and in such a country as this they can only do business through a good agent.

Exports.

With regard to exports they will no doubt show a falling-off, but the crop was a good one, and exists still in the granaries of the villagers. It has in part been withheld from the market because of low prices ruling, and latterly from fear of a bad crop in 1893—a fear, I hope, now dispelled by the late rains and the prospect of fine weather.

Joint Stock Fire Assurance Company.

As I mentioned in last year's report, a Bulgarian Fire Assurance Company had been established here. Its first year's working was so favourable as to show a profit of nearly 16 per cent., of which they divided 8 per cent., and in order to add a life branch they decided to issue 500,000 fr. (20,000*l.*) extra capital all paid up. These shares were issued at 15 premium, and were subscribed for locally to over four times the amount, so that subscribers who applied for anything from 1 to 4 shares got 1, from 5 to 10 got 2, and so on, only one-fifth of the amount desired. This shows that money exists in the country for any enterprise considered good.

TABLE showing Imports and Exports for the Year 1891, at the Various Ports of Bulgaria Comprised in the District of the Roustchouk Vice-Consulate.

Customs Category.		Widdin.		Lom.		Rahovo.		Nicopolis.		Sistovo.		Roustchouk.		Tutrucan.	
		Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1. Living animals	Head ...	81	3,341	6	...	4	2	41	...	16	...	202	...	27	...
2. Animal produce for eating ...	Cwts. ...	1,340	258	1,085	7¾	615	...	403	23	14,818	157	4,005	2,480	240	127
3. Cereals and their produce	,, ...	7,040	413,736	5,074	324,276	5,066	355,077	2,099	417,326	25,722	844,608	12,672	879,354	764	365,876
4. Fruits, vegetables, and their produce	,, ...	680	...	29	200	191	6	251	510	215	59,160	396	1,272	158	2
5. Colonials ...	,, ...	3,902	½	2,692	361	2,732	...	320	...	20,345	8	18,818	660	772	142
6. Liquors and wines	,, ...	6,514	8	2,172	...	2,609	...	2,514	...	13,618	...	2,896	54	626	...
7. Preserved provisions ...	,, ...	199	4	127	...	140	...	66	2	1,867	250	1,806	49	24	...
8. Manures and "déchets" ...	,, ...	101	563	18	...	201	177	...	280	82	6	70	1,980	...	...
9. Combustibles ...	,, ...	47,191	111	3,478	...	6,902	...	6,448	...	22,483	...	143,256	...	4,410	...
10. Chemicals ..	,, ...	1,548	...	600	...	1,205	...	72	...	3,520	...	2,134	...	64	88
11. Colour, dye, and tanning stuffs	,, ...	795	13	287	...	229	15,629	60	4,953	2,292	2,618	7,152	3,036	17	...
12. Glues, resins, and mineral oils	,, ...	15,837	169	13,325	...	7,650	3	1,880	10	41,358	3	23,457	1½	5,002	...
13. Oils, fats, wax, and their products	,, ...	1,217	1½	528	...	472	...	123	...	7,515	...	4,578	2	82	...
14. Drugs	,, ...	170	...	64	...	50	...	28	...	283	...	285	...	6	...
15. Perfumery ...	,, ...	107	...	11	4	7	...	7	...	23	...	178	...	...	...
16. Articles for working in stone, earth, plaster, and glass	,, ...	10,670	3,194	3,224	...	3,100	32,716	1,192	145	16,811	36,216	175,885	702	518	36
17. Metals and their products ...	,, ...	9,499	¼	7,914	...	10,282	2	1,344	...	59,389	501	19,302	110	1,039	...
18. Timber and its products ...	,, ...	33,624	336	18,505	247	27,754	...	25,174	...	129,542	1,922	118,422	36	17,968	...

TABLE showing Imports and Exports for the Year 1891, at the Various Ports of Bulgaria Comprised in the District of the Roustchouk Vice-Consulate—continued.

Customs Category.		Widdin.		Lom.		Rahovo.		Nicopolis.		Sistovo.		Roustchouk.		Tutrucan.	
		Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
19. Paper and stationery ...	Cwts. ...	1,078	...	405	...	552	...	273	...	3,985	...	8,180	...	6	...
20. Skins and furs...	,, ...	713	3,421	166	1,570	85	265	189	288	4,304	2,078	4,223	2,510	22	40
21. Textiles... ...	,, ...	3,282	1,005	1,166	893	1,360	312	1,494	871	5,480	164	26,127	146	79	2
22. Guttapercha and its products ...	,, ...	51	...	5	...	10	...	12	...	29	...	110	...	...	...
23. Railway stock, carriages, and steamboats ...	,, ...	25	...	...	...	¼	...	½	...	4	...	40	...	...	...
	Number	39	...	9	...	41	...	17	...	26	...	57	...	29	8
24. Machinery and instruments of all sorts, including firearms	Cwts. ...	1,773	2¼	256	...	1,290	...	58	...	2,312	...	5,969	...	270	...
25. Jewellery, plate, &c., "Articles de luxe" ...	,, ...	48	...	10	...	8	...	8	...	24	...	350	...	...	...
26. Literature, statues, and pictures	,, ...	23	...	7	...	½	...	¼	...	28	...	60	...	...	...
27. Sundries, including ammunition and salt	,, ...	29,852	½	20,967	...	57,300	...	20,739	...	116,246	...	99,854	...	12,321	...

NOTE.—Exports under Category 11 are probably only sumac.

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1893.

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No. 1311.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

CHILE.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF THE CONSULAR DISTRICT OF VALPARAISO.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 227.

Presented to both Houses of Parliament by Command of Her Majesty,
NOVEMBER, 1893.

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No. 1311.

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CHILE.

VALPARAISO.

Consul-General Joel to the Earl of Rosebery.

My Lord, *Valparaiso, September* 10, 1893.

I HAVE the honour to transmit herewith to your Lordship a Report on the Trade and Commerce of the District of this Consulate-General for the year 1892.

I regret my inability to furnish this Report at an earlier date, it being impossible to obtain the necessary statistics, as the Government Returns, in detail, for a given year, are seldom published until the termination of the succeeding year.

If, when the Government Returns are published, there should be any matter of interest, not embodied in this Report, I will transmit to your Lordship a supplementary Report.

I have, &c.

(Signed) LEWIS JOEL.

Report on the Trade and Commerce of the Consular District of Valparaiso for the Year 1892.

ABSTRACT of Contents.

	PAGE
The civil war	2
Establishment of the new régime	2
Large orders for merchandise sent to Europe	2
Depreciation of the paper currency	2
Fluctuations in exchange	2
Purchase power of the paper dollar	2
Cost of the civil war	2
Indebtedness of the Government	3
Financial policy of the Government	3
Valparaiso the centre for the supply of merchandise to the interior towns	3
Comparative statement of the imports in 1890–91–92	3
Total value of exports	4
Balance of trade	4
Export of cereals	4

ABSTRACT of Contents—continued.

	PAGE
Wheat, comparative statement for the years 1890–91–92	4
Barley, quantity and value exported	4
British ships, number and tonnage	5
Ships of all nations	5
Freights, average rates for 1891–92	5
General review of trade in 1892	5
Effects of the civil war still felt	5
Caution to merchants	5
Caldera, report on the trade of	10
Talcahuano, report on the trade of	13
Lota „ „	14
„ shipping returns	19

Introductory.

The civil war.

The civil war which was inaugurated on January 7, 1891, terminated with the battle of the Heights of Valparaiso on August 28, 1891, and the subsequent abdication of the Dictator Balmaceda placed the entire country under the jurisdiction of the victorious Constitutional party.

Establishment of the new régime.

The establishment of the new régime was looked upon by the mercantile community as an augury of coming prosperity, and a largely augmented trade, in the near future, was considered assured.

Large orders for merchandise sent to Europe.

Reaction in trade caused by an overstocked market.

Large orders for merchandise of all kinds were consequently sent to Europe, and the first 10 months of the year saw the fulfilment of these expectations. Then a reaction set in, brought about by an overstocked market, in consequence of the continued ordering of merchandise from Europe after the wants of the market had been supplied.

Depreciation in the value of paper currency.

Fluctuations in exchange.

Purchase power of the paper dollar.

The depreciation of the paper currency, and the violent fluctuations in exchange on Europe, were no doubt contributory causes to the decline in trade during the last 2 months of 1892.

The purchase power of the paper dollar in payment of bills of exchange on Europe was, in January, 1891, 2*s*. During the civil war it fell at one time as low as 1*s*. 3*d*., but at the termination of the war it stood at 1*s*. 4½*d*. Then a better feeling prevailed, and from then till the end of the year the value fluctuated between 1*s*. 6*d*. and 1*s*. 8*d*. The value of the dollar at the commencement of the year 1892 was 1*s*. 7½*d*., and at the close of the year, after serious fluctuations, it was quoted at 1*s*. 5*d*.

Cost of the civil war.

The Government which had recently acceded to power had to encounter the great difficulty of the payment of the cost of the civil war. The expenditure of the Government of Balmaceda on account of the war was about 72,000,000 dol., and that of the Constitutional party about 30,000,000 dol. The total sum had to be provided for.

(NOTE.—The equivalent of these figures in sterling cannot be given as the value of the paper dollar at the commencement of the civil war, January, 1891, was 2*s*., whereas at the conclusion of the war it had declined to 1*s*. 4½*d*.)

When the first issue of 28,000,000 of Government paper dollars was made, in 1878, to meet the expenses of the Peru–Chilian War, the silver dollar, then in circulation, had a value of 3*s.* 2*d.*, and the paper dollar was issued as its equivalent. During the recent civil war Balmaceda issued a further 20,000,000 of paper dollars. Issue of pape currency.

To meet the pressing demands on the recently installed Government a loan in Europe was resorted to, but this was absorbed in liquidating the enormous indebtedness of the Government to the banks at Santiago and Valparaiso, in the partial retirement of the over issue of paper dollars by Balmaceda, and in payment of munition of war. Indebtedness of the Government.

The financial policy of the Government of President Moutt is to resume specie payment on July 1, 1896, by the coinage of gold and silver coin of the value of 2*s.* to the dollar. English and Australian sovereigns to pass current as ten such dollars. The date given above for the redemption of the paper currency may be anticipated by 6 months, if the average rate of exchange during the previous 6 months should not have been below 1*s.* 10*d.* to the dollar. This contingency is extremely problematical, as the value of the paper dollar has continued to decline since the publication of this law. Financial policy of the Government. Proposed resumption of specie payment in 1896 on the gold base of 2*s.* to the dollar.

If holders of paper currency, at the date of this proposed redemption of specie payment, decline to convert their paper currency at that rate, they will, by waiting till December 31, 1899, be entitled to convert at the equivalent value of the silver dollar of 25 grams $\frac{9}{10}$ths fine, identical with the silver dollar in circulation when the original issue of the paper dollar was made, which, at that time, had a value of 3*s.* 2*d.*, but the serious decline in the value of silver since then would render doubtful the value of the silver dollar on December 31, 1899, so that it is very probable that the holders of paper currency will elect to convert on the gold base of 2*s.* to the dollar, rather than wait till December, 1899, for a doubtful increase in the value of the paper dollar at that date. Holders of currency by waiting till December 31, 1899, can convert at the equivalent of the value of the silver dollar of the same weight and fineness as the dollar in circulation in 1879.

From January 1, 1897, the paper currency will cease to be a legal tender. Paper currency will not be a legal tender after December 31, 1896.

Imports.

Valparaiso is the commercial centre from which a large portion of the merchandise imported is distributed to the ports on the coast, and the towns in the interior. The principal British imports are: printed, white, and unbleached cotton goods, woollen manufactures, carpets, hardware, rails and railroad iron, coal, bags for grain and minerals, candles, tea, boots and shoes, beer, spirits, &c. Valparaiso a commercial centre for the supply of imported merchandise to the interior towns.

The total value of the imports of the Republic for the year 1892 was 12,350,491*l.*, as compared with 10,083,416*l.* in 1891, and with 10,749,106*l.* in 1890. Comparative value of imports in 1892–90.

The imports at the port of Valparaiso during 1892 were to

the value of 8,474,855*l.*, as compared with 6,477,960*l.* in 1891, and 7,412,327*l.* in 1890.

Coal, tabulated statement of imports.

(In consequence of the custom-house statistics, in detail, not having yet been published, I am unable to give a statement of the quantities and values of each particular article, except as regards coal, for which I am indebted to Messrs. Jackson Brothers, and their tabulated statement is hereunto annexed marked A.)

Exports.

Total value of exports.

The total value of the exports from all ports in the Republic in 1892 was 10,165,797*l.*, as compared with 10,402,786*l.* in 1891, and 10,828,635*l.* in 1890.

Balance of trade.

These figures show that there was an excess of imports over exports in 1892 to the amount of 2,245,694*l.*, as compared with a balance of trade in favour of this country of 319,370*l.* in 1891, and of 79,529*l.* in 1890.

Detailed statement of exports for 1892–90.

The table annexed, marked B, gives a detailed statement of the articles, quantities and values of the exports of the Republic during the 3 years under review.

Export of cereals.

The cultivation and export of cereals, especially wheat, in the southern part of Chile, is a most important and increasing industry. Comparatively large as the production is at present, in view of the area eligible for cultivation, it could be considerably increased by the use of modern agricultural machinery and appliances.

Talcahuano the principal port of shipment.

Talcahuano is the principal port of shipment, and except in winter, when northers prevail, which is unfortunately the wheat shipping season, it is an excellent and safe port of embarkation.

Wheat. Exports of 1892 compared with those of 1890–91.

The quantity of wheat exported in 1890, according to official figures, was 28,521 tons of the value of 185,386*l.*; in 1891, the quantity had increased to 175,244 tons of the value of 1,216,738*l.*, but it declined to 143,506 tons of the value of 858,036*l.* in 1892. The decreased export in 1892, as compared with the preceding year, was not caused by a lesser area under cultivation, nor by a lesser yield, but was consequent on the unfavourable weather at harvest time, which rendered much of the grain unfit for shipment.

(NOTE.—The values given above differ from the official values which are calculated at a fixed price. Those I have given represent the fluctuations of the market.)

Barley. Quantities and values exported in 1890–92. Used as fodder for animals in the mining and nitrate districts of Atacama and Tarapaca. Chevalier barley shipped to Great Britain.

The increase in the quantity of barley exported is in about the same ratio as wheat for the years under review. In 1890, it was 5,961 tons of the value of 35,769*l.*, and this rose to 13,634 tons of the value of 65,383*l.* in 1891, and in 1892 it was 12,944 tons of the value of 72,670*l.* The barley produced is almost exclusively shipped to ports in Atacama and Tarapaca where it is used as fodder for animals in the mining and nitrate districts. It is only when there is an unmanageable excess in the production of this cereal that it is exported to Europe, although there is always a small quantity of the variety called Chevalier barley shipped to Great Britain which is used by maltsters.

Shipping.

The total number of British ships, steam, and sail, entered at the port of Valparaiso during 1892 was 465 of the aggregate tonnage of 588,557 tons. While 438 vessels cleared of the aggregate tonnage of 590,771 tons. British ships entered and cleared.

The total number of vessels of all nations entered at this port in 1892 was 1,258 of the aggregate tonnage of 1,343,047 tons. Those cleared were 1,254 of the aggregate tonnage of 1,344,729 tons. Total shipping of all nations.

The table marked C gives the number of vessels, their nationality and tonnage, entered and cleared at this port in 1892. Tabulated statement in detail

Freights.

The shipping interest was very depressed during 1892, as freights ruled low throughout the year. Low freights ruled in 1892.

The following is a comparative statement of the average rates during the years 1891 and 1892 :—

	1891.			1892.		
	£	*s.*	*d.*	£	*s.*	*d.*
Cargoes of wheat—						
Orders, United Kingdom	1	11	3	1	7	6
Continent	1	16	3	1	12	6
Nitrate of soda—						
Hampton Roads	1	10	0	1	4	0
United Kingdom	2	0	0	1	5	0
Continent	2	2	6	1	7	6

General Review.

Although the year 1892 closed, as I have before stated, with a marked depression in trade. I believe that this depression is temporary, and that when the over-stocked market is relieved, trade will improve. The country is sound, and its resources are great, but the effects of the civil war are still seriously felt by the mercantile community. I do not presume to give advice to the merchants and manufacturers engaged in trade with the coast, as they are well represented by their branch houses or agents here, but there is one point I desire to suggest to them, and it is that they should observe the greatest prudence in their transactions with this country until the vexed question of the paper currency is finally set at rest. Depression in trade with which the year closed believed to be temporary. Effects of the civil war still felt. Merchants should observe prudence in their transactions with this country.

Annex A.—RETURN of Import of Coal during the Year 1892.

Port of Discharge.	Steam Coal.					Smelting Coal.		
	Hartley.	Orrell.	Other places.	Australian used as Steam.	Total.	English.	Australian used as Smelting	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Tarapaca	84,607	8,340	28,984	13,706	135,037	..	..	..
Tocopilla	..	..	..	9,777	9,777	..	1,039	1,039
Antofagasta	27,013	..	..	19,937	46,950	..	..	..
Taltal	4,406	..	..	18,867	23,273	..	..	..
Chañaral	..	..	..	..	..	..	1,096	1,096
Caldera	349	1,135	.	800	2,284	3,781	7,763	11,544
Carrizal	..	..	..	2,519	2,519	3,336	4,429	7,765
Huasco	..	..	.	..	..	1,100	4,471	5,571
Peña Blanca		..	..	..	..	..	1,000	1,000
Totoralillo	..	..			..	595	8,476	9,071
Coquimbo..	208	310	845	3,913	5,276	5,383	7,643	13,026
Papuda	..	..	..	..	..	..	1,062	1,062
Valparaiso	5,287	..	7,165	72,945	85,406	..	..	..
Talcahuano	..	144	..	..	144	..	..	..
Total for 1892	121,270	9,929	36,994	142,473	31,066	14,195	36,979	51,174
„ 1891	165,870	43,071	68,256	132,561	409,758	12,122	59,433	71,555
„ 1890	140,732	38,517	43,917	118,676	341,842	29,300	32,347	61,647
„ 1889	94,471	21,128	28,671	134,105	278,375	20,896	27,369	48,265
„ 1888	137,274	56,677	70,590	60,622	325,163	82,137	34,810	116,947

Annex B.—Return of Articles of Export during the Years 1890–92.

Articles.		1890.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
			£		£		£
Nitrate	Tons	1,010,136	5,850,470	877,684	5,132,927	735,263	5,032,634
Wheat	„	28,521	250,396	175,244	1,146,294	143,506	981,105
Iodine	„	413	664,591	417	671,363	506	813,589
Copper in bars	„	23,905	1,206,316	17,189	771,552	18,842	803,845
Silver in bars and cones	Ounces	3,287,910	686,409	3,730,012	713,572	4,478,883	794,420
Sole leather	Rolls	212,027	201,426	210,843	200,300	193,888	128,935
Gold in bars, &c.	Ounces	21,457	84,256	19,346	75,965	27,566	108,242
Manganese	Tons	50,194	80,746	35,049	56,383	50,871	81,834
Barley	„	5,961	35,769	13,634	65,788	12,944	72,670
Wool	„	1,814	75,016	1,772	71,906	1,941	68,795
Silver ore	„	1,650	146,676	601	27,595	901	66,195
Flour	„	2,131	24,695	5,603	63,102	3,826	43,252
Beans	„	1,583	15,275	3,431	32,990	3,457	28,114
Nuts	„	4,339	42,286	3,122	41,047	2,111	27,164

Annex C.—Return of all Shipping at the Port of Valparaiso during the Year 1892.

Entered.

Nationality.	Coasting Trade.				Foreign Trade.			
	Number of Vessels.	Tons.	With Cargo.	In Ballast.	Number of Vessels.	Tons.	With Cargo.	In Ballast.
Steamers—								
Chilian	342	229,432	341	1	57	75,336	57	..
English	109	112,633	109	..	164	272,275	164	..
German	33	37,642	33	..	86	136,038	86	..
French	1	1,779	1	..	35	72,941	35	..
United States	2	2,725	2	..	2	2,187	2	..
Portuguese	5	1,045	5	..	..	..	..	..
Austrian	..	..	..	..	1	356	..	1
Total	492	385,306	491	1	345	559,133	344	1
Sailing vessels—								
Chilian	89	49,626	84	5	23	22,042	22	1
English	24	21,630	22	2	168	182,019	158	10
German	4	3,141	4	..	43	54,983	41	2
French	..	..	..	..	15	16,900	15	..
United States	2	1,663	2	..	31	31,191	29	2
Italian	1	277	1	..	3	2,095	3	..
Danish	..	..	..	..	3	2,623	3	..
Norwegian	..	..	..	..	9	8,859	9	..
Dutch	..	..	..	..	1	1,014	1	..
Swedish	..	..	..	..	..	..	..	..
Peruvian	1	545	1	..	..	..	..	..
Total	121	76,882	114	7	296	321,726	281	15

RETURN of all Shipping at the Port of Valparaiso during the Year 1892—continued.

CLEARED.

Nationality.	Coasting Trade.				Foreign Trade.			
	Number of Vessels.	Tons.	With Cargo.	In Ballast.	Number of Vessels.	Tons.	With Cargo.	In Ballast.
Steamers—								
Chilian	348	221,242	255	93	50	71,514	50	..
English	140	144,836	137	3	144	249,174	143	1
German	28	30,106	28	..	89	140,071	89	..
French	..	..	..	..	37	74,114	37	..
United States	3	1,254	3	..	..	..	..	..
Portuguese	6	4,079	6	..	..	..	..	..
Austrian	1	356	..	1	..	..	..	..
Total	526	401,873	429	97	320	534,873	319	1
Sailing vessels—								
Chilian	98	58,778	41	57	13	18,669	4	9
English	156	166,731	101	55	34	40,030	24	10
German	39	52,281	26	13	8	5,822	4	4
French	14	16,707	8	6	..	..	..	..
United States	26	23,987	19	7	5	5,478	1	4
Italian	2	2,027	1	1	2	1,308	2	..
Danish	3	2,623	3	..	..	..	..	..
Norwegian	7	8,551	7	..	2	1,946	2	..
Dutch	1	1,014	1	..	..	..	..	..
Swedish	1	1,486	1	..	..	..	..	..
Peruvian	1	545	..	1	..	..	..	..
Total	348	334,730	208	140	64	73,253	37	27

Caldera.

Mr. Vice-Consul Beazley reports as follows :—

The province has suffered extremely from the want of labour. Many mines are only able to work at less than half their capacity in consequence of this dearth of men. It is at the same time very natural that the Peones should prefer the easier life of the south to that of the incessant toil of a miner.

The lowness of exchange, although preventing the merchant from holding large stocks, is very favourable to the miners, buyers being able to offer very high prices in dollars. The production of copper has been maintained. The smelters have had the advantage of exceptionally low freights to Europe, shipments having been made by steamer in bulk at 16*s.* per ton.

It will be noticed that the importation from Germany has increased enormously in proportion to former years. The imports consist mostly of sugar—in fact, all the consumption of that article is monopolised by German production.

The trade in cattle with Argentine has also been exceptionally large, owing to the Copiapo Valley being better provided this year with pasturage, the effects of the drought, so much felt in the south, being nil in the district. The great feasibility of the road over the mountains was manifested in a striking manner by the passage across of a Copiapo merchant in eight days from Tinnogasta to the port, travelling in a heavy coach the whole of the distance.

The banks of Edward's and of Santiago have opened offices, thus facilitating the commerce in a very great degree. The railway company has done fairly well, paying a dividend of 4 per cent.

Of the mining industries the "Dulcinea" is, as usual, to the fore with its steady production. Important opening up work is being carried on in the Lomas Bagu district, giving great promises for this long-neglected group. The production of gold is steadily on the increase, and there is little doubt but that some day it will prove the best of the industries.

An attempt was made by a company of Italian amateurs to lift the "Blanco Encalada," but it proved a complete failure. The vessel is lying in 6 fathoms, and on a hard surface. She has not imbedded herself at all, and chains can be passed round her from fore and aft almost to midships, her battery keeping her free from the ground. It is a pity that the Government do not put the matter into competent hands, as she spoils the port completely, and is a great danger to shipping, being neither buoyed or lighted at night.

The Chilian squadron passed most of the winter at the port, and will make headquarters here for the future winter. The rations were supplied at same price as those at Coquimbo.

RETURN of British Shipping at the Port of Caldera for the Year 1892.

Indirect or Carrying Trade in British Vessels from and to other Countries.

Entered.								Cleared.							
Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.	Total Number of Vessels.			Total Tonnage.			Total Number of Crews.	Total Value of Cargoes.
With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		£	With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		£
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

Direct Trade in British Vessels from and to Great Britain and British Colonies.

Entered.									Cleared.								
	Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.		Number of Vessels.			Tonnage.			Number of Crews.	Value of Cargoes.
	With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		£		With Cargoes.	In Ballast.	Total.	With Cargoes.	In Ballast.	Total.		£
Steamers ...	23	...	23	41,622	...	41,622	735	...*	Steamers ...	23	...	23	41,622	...	41,622	735	106,620
Sailing vessels	10	...	10	11,629	...	11,629	202	18,000	Sailing vessels	2	9	11	12,826	9,811	12,637	212	1,700
Total ...	33	...	33	53,251	...	53,251	937	18,000	Total ...	25	9	34	44,448	9,811	54,259	947	123,620

* To receive cargo.

RETURN of all Shipping at the Port of Caldera during the Years 1890–92.

Nationality.	1890.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Chilian	43	25,732	24	12,683	23	14,322
British	20	23,782	22	25,888	33	55,251
French	7	13,823	6	7,467	1	1,278
German	12	17,365	21	26,050	7	11,973
Spanish	1	365	4	836	...	...
American	...	...	2	2,974	1	758
Dutch	1	1,375	...	...	...	...
Norwegian	...	...	...	...	2	2,711
Total	84	82,442	79	73,898	67	84,293

Nationality.	Coasting Steamers.	
	Number of Vessels.	Tons.
Chilian	151	178,267
British	123	166,171
Total	274	344,438

RETURN of the Value of Imports at the Port of Caldera for the Year 1892.

Country.	Value.
	Dollars.
Argentine Republic	1,036,013
Great Britain	305,170
Germany	118,288
France	5,749
United States	26,674
Spain	1,597
Peru	1,358
Ecuador	1,127
Uruguay	1,967
Belgium	2,971
Total	1,500,914

TABLE showing the Exports from the Port of Caldera during the Years 1889–92.

Year.	Gold.	Silver.		Copper.		
	Value.	Weight.	Value.	Bar.	Regulus.	Metals.
	£	Kilos.	£	Tons.	Tons.	Tons.
1889	13,142	...	131,150	908	2,406	6,400
1890	11,880	15,444	120,561	2,724	667	15,463
1891	9,440	16,783	107,710	2,798	43	13,674
1892	14,619	16,174	97,800	265	4,472	10,870

TALCAHUANO.

Mr. C. S. McKay, late acting Vice-Consul, has furnished me with the following report :—

During the year which has just closed the imports to this port have considerably surpassed those of other years, as will be seen from the following particulars of the duties collected in this custom-house during the last few years :—

Year.	Amount.
	Dol. c.
1879	127,179 30
1888	1,318,771 28
1889	1,500,562 00
1890	1,608,104 01
1891	1,345,316 68
1892 (approximately)	2,200,000 00

This increase has in part been due to the partial cessation of imports during the revolution of 1891 ; to the unusually cheap freights which have ruled this season, and, finally, that merchants during the past 2 months have been despatching as many goods as possible in order to avoid the increased duties which come into force next year.

But after making allowance for all these circumstances, the fact remains that the import trade of this port is rapidly increasing, and as the frontier becomes more populated it will continue to do so, as this is by a long way the most suitable harbour for shipping and discharging operations.

The export trade remains almost stationary, wheat being as formerly the principal staple.

The wheat exports this season only amounted to 1,175,000 hectolitres of 76·36 kilos. each, as compared with 1,980,000 hectolitres for 1891 crop, the reason of this shortage being that the wheat was much damaged by rain in the harvest time.

The coming crop which should commence to arrive here about February next, promises well, and farmers predict a good outturn for the frontier crops, whilst those of the north are not expected to yield so well on account of the scarcity of rain.

The wool clip has been an average one, viz., 13,000 8ths sp. of common wool, and 4,500 8ths of the finer grades.

The former quality is almost entirely shipped to the United States, whilst the mestiza and merino are distributed between New York, Havre, and Liverpool.

The Government dry-dock works are being pushed along with more activity, but they will not be completed before the end of 1894.

Although the import business of this port has increased to such a large extent during the last 10 or 15 years, still the custom-house facilities for discharging the goods have not kept pace with this increase.

The same may be said of the shipping and receiving appliances in vogue here.

The Government for years past have proposed filling in the fore-shore, so as to provide the much-needed space for warehouses or other buildings, but apparently there is no immediate hope of these plans being realised, and meantime all classes of work are hampered for want of space.

Possibly, once the dock is completed, the authorities may seriously take up this question, otherwise there will be no space either for arsenals or dockyards.

Messrs. Duncan, Fox, and Co. have built a large warehouse in Penco, as although it is not such a convenient port as this there was no choice but to go there as there is no more available land here with a sea frontage.

In order to be able to attend to the traffic of wheat and goods, these merchants have also bought up the Penco Railway for about 20,000*l.*

A concession has been granted for a railway between Penco and Tomé, and in course of next year it is expected that the works will be commenced, which will further contribute to concentrate trade to this port.

Lota.

Mr. Consular-Agent Matthew J. Wilson reports as follows :—

Imports and exports. Lota is a minor port, and dependent upon Coronel; consequently, it has no foreign importation. Nevertheless, generally one vessel per year comes from England with bricks, coke, iron, and mining material for the Lota Company's establishment, calling first at the major port, Coronel, where the cargoes are accounted for to the custom-house authorities of said port.

Copper. The exports of copper in 1892 exceed 1891, in quantity 2,971 tons 9 cwts. 2 qrs. 3 lbs., and in value 118,829*l.* 2*s.* 8*d.*, owing to the establishment having returned to its former vigour and activity since the revolution of 1891.

Hides. The exports of hides in 1892 exceed 1891, in number 116, and in value 6·2*l.* 8*s.* 2½*d.*, owing to difference in price.

Conversion of weights. Bar copper, &c., from kilogrammes to avoirdupois weight are calculated at 1,015·22 kilos. per ton.

Conversion of values. The average rates of exchange of the Chilian dollar were :—

Year.	At 3 Days.
	d.
In 1891	18·1489
1892	18·5735

Agriculture. The population of Lota is principally comprised of coal miners, mechanics, masons, copper smelters, &c., and as the

greater portion of the land in its vicinity is very inferior, and for several leagues north, east, and south is the property of the Lota Company, who occupy same principally for rearing cattle, there is nothing of importance anywhere near Lota to report under this head interesting to British agriculturists.

Lota, with a population of about 12,000, is situated in the province of Concepcion, at the east side or south-east corner of the large Bay of Arauco, which bay is inclosed by the mainland from north-east to south, and is also sheltered by the Island of Santa Maria to the west, the depth of water in the bay ranging from 4 fathoms to 16 fathoms, with good bottom all over for anchorage. Vessels bound to Lota during the summer months—say from September to March inclusive—generally take with precaution the south passage between Santa Maria Island and Point Rumena on the mainland; but this entrance is principally used by coasters and others acquainted with the passage. A lighthouse exhibiting a revolving white light is situated at the north end of the island, which is about 7 miles long by 1 mile and less wide, distant from Lota 18 miles west north-west, but should not be approached nearer than at least 3 miles distance. A sandy spit, called Delicada Point, is formed on east south-east side of the island, and is constantly increasing in the same direction. Its length is about 1 league, and width about ¼ mile, with a heavy sea roaring at extreme point. Mariners are cautioned that several vessels have mistaken the revolving white light on Santa Maria Island for the revolving white light on Quiriquina Island, and through this error have stood into Arauco Bay, instead of Concepcion Bay, in some cases with disastrous results to themselves, owing to the small difference in the position of the two lights and the similarity of appearance. In Lota a lighthouse is situated on its north point of entrance exhibiting a revolving white light, which can be approached to within three cables length. The revolutions of these lights have been published by the Chile Government. Lota, as aforesaid, is a minor port, therefore loaded vessels arriving from foreign countries must first touch at Coronel, about 5 or 6 miles distant to the north, in order to obtain a custom-house permit to enter. Lota is a good seaport, has good anchorage near to shore in from 4 to 7 fathoms, and is considered safe all the year round; lat. 37° 1′ 20″ S., long. 73° 11′ 55″ W. Extensive coal mines exist and coal is largely exported by the Lota Company for the coast of Chile and for steamer's consumption, &c.

	Quantity.	
	1891.	1892.
	Tons	Tons.
Shipments to Chile ports	57,482	134,021
„ per steamer's consumption on coast and those destined to foreign countries ..	29,489	63,809
Total	86,971	
Difference in favour of 1892	110,859	
Total	197,830	197,830

There are also extensive copper smelting, fire-brick, &c., and glass bottle works; all are the property of the Lota Company, "Compañia Esplotadora de Lota y Coronel."

The principal exports are bar copper to England, France, and Germany, by said Company, and half-hides, tanned by Messrs. Sharon and Hartwig, successors to M. Gleisner and Co., to Germany. In summer the prevailing winds are southerly; in winter north and north-westerly, with rain and cold weather. During the winter months vessels sometimes cannot load for days owing to the heavy sea and weather. In summer they are sometimes unable to load after 2 p.m., as the southerly winds set in fresh, and the lighters, when used, cannot lie alongside in a heavy sea; yet the port has every facility for coaling steamers and sailing vessels of all sizes. The Lota Company have an iron mole where they are able to load 1,000 tons of coal in 10 working hours, with two vessels alongside at once. Low-water depth 20 ft. Wood mole combined with iron mole with shoots for loading launches which carry 14 tons and are able to ship about 1,000 tons in 10 working hours. Wood mole apart from aforesaid for shipping copper, able to load 500 tons in 10 working hours. Drop apparatus for discharging metals from lighters capable of discharging 400 tons in 10 working hours. Iron mole, Government property, for loading and discharging small crafts measuring up to 40 tons, one at a time. Low-water depth 14 ft.

The Lota Company are carrying out a breakwater which they are forming with waste of metals from their copper smelting works, with the intention to load five vessels at once; but it will take some years to complete this work. Up to the present they have arrangements for discharging and loading one vessel. There are no facilities for repairing the hull of a vessel, further than for coal or steam launches. The Lota Company have three of the latter which are used for towing lighters when loading and discharging sailing vessels or steamers. The facility for repairs to machinery are not many, the machines of the establishment of the Lota Company being constantly occupied in works for the coal mines and other branches of the establishment.

Harbour pilotage rates are as follows, viz.:—Vessels up to 100 tons, 5 dol.; 100 tons to 200 tons, 7 dol.; 200 tons to 300 tons, 9 dol.; 300 tons to 400 tons, 11 dol.; 400 tons to 500 tons, 13 dol.; 500 tons to 600 tons, 15 dol.; 600 tons to 700 tons, 17 dol.; 700 tons to 800 tons, 19 dol.; 800 tons to 1,000 tons, 21 dol.; 1,000 tons to 2,000 tons, 23 dol., and above 2,000 tons, 25 dol.; but as Lota is situated in an open bay, it is a very rare occurrence for any vessel to employ a pilot.

Hospital. There are no hospitals except a private one maintained by the Lota Company on their establishment exclusively for their workmen.

There are no sailors' home, bank, or advocate.

Merchants' exporters. Compañia Esplotadora de Lota y Coronel, bar copper and coal; Messrs. Sharon and Hartwig, successors to M. Gleisner and Co., half-hides tanned, salted and dry hides.

Merchants' importers. Lota Company, generally one vessel per year, on conditions stated under head "Imports and exports." Messrs. Lea and Co., successors to Fred Peede, Duhart Brothers, and Guillermo Apel also import sundry dry goods from England, France, and Germany, through Coronel, which are despatched at the custom-house there, and then forwarded in carts by land or per railway to Lota.

Shipping agents. Juan Thores, Browne, and Walker also shipping butchers; Duhart Brothers, William Apel, Alfonso Coppelli, Lea and Co., and Francisco de B. Juarez, dealers in dry goods, provisions, crockery and naval stores; Sharon and Hartwig, successors to M. Gleisner and Co., German tanners.

Steamship agents. Juan Thores, Kosmos Line; Alfonso Coppelli, Compañia Armadores Valdivia (coasters); Browne and Walker, Pacific, South American, and Gulf Lines; Duhart Brothers, Lamport and Holt, and French Line (Compagnie Maritime de Pacifique).

Provisions. Water, 1 dol. 50 c. per ton; beef, 35 c. to 38 c. per kilo.; bread, 7 c. to 9 c. per lb.; fowls, 80 c. to 1 dol. 50 c. each. All kinds of provisions, fresh and salt, and good fresh water obtainable from one or other of the above-mentioned firms. Vegetables in general obtainable in moderate quantities.

Means of communication. There are telegraphs to the whole world. A railway north to Coronel and Concepcion three times daily, and from there to Valparaiso viâ Santiago once daily. Railway south to Laraquete, Arauco, Colico, and Curanilahue twice daily.

Laraquete. Laraquete, a small place, with a population of about 500, is situated in the Bay of Arauco, say 5 miles south of Lota. Coal is transported from the Raquegna Coal Mines, distant 12 miles to south by railway to this place, and shipped from lighters loaded at a wood mole to steamers and sailing vessels, which are loaded throughout the year; but, as the anchorage is exposed to the north and north-west gales which prevail during the winter months, it is not a very safe place, and the loading is often prevented by wind and sea. Nevertheless when weather permits they are able to ship with lighters, which carry 25 tons to 30

tons each. 500 tons in 10 working hours. The coal is all shipped for the west coast of South America, and notes of the shipments rendered by a custom-house officer to the head custom-house in Coronel, upon which port Laraquete depends. Coasting vessels go there direct to load, without calling for permit at Coronel, and all vessels are despatched there by said officer, who acts also as captain of the port.

The Maquegna Coal Mines are the property of the Arauco Company, who are also working extensively in coal mines at Colico 7½ miles, and Curanilahue 15 miles south of Maquegna, and this portion of their production is transported by a separate railway, which was finished and traffic opened on April 1, 1890, from Curanilahue to Concepcion for consumption by Chile Government, &c. The remainder of this production is shipped in Coronel in lighters from an iron mole, property of the Arauco Company, to steamers and sailing vessels for the coast of Chile and consumption of the former. The extension of the mole, in order to load sailing vessels and steamers alongside of it, is at present under consideration.

	Quantity.
	Tons.
Shipments in Coronel and deliveries in Concepcion for the Chile Government, &c., from Colico and Curanilahuë coal mines during the year 1892	120,000
Shipments at Laraquete, from Maquegna coal mines ..	14,000
Total	134,000

Annex A.—RETURN of all Shipping at the Port of Lota during the Year 1892.

ENTERED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British, from foreign ports ...	4	4,418	5	7,859	9	12,277
British, from Chilian ports ...	6	5,081	79	118,636	85	123,717
Chilian, from Chilian ports ...	91	16,327	242	170,452	333	186,779
Chilian, from foreign ports ...	...	...	...	...	...	...
German, from foreign ports ...	...	...	14	21,661	14	21,661
German, from Chilian ports ...	1	955	61	57,109	62	58,064
French, from Chilian ports ...	...	...	18	36,605	18	36,605
French, from foreign ports ...	...	...	...	...	...	...
Total	102	26,781	419	412,322	521	439,103
,, for the year preceding ...	83	22,732	218	202,400	301	225,132

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British, to foreign ports	...	...	25	43,094	25	43,094
British, to Chilian ports	9	7,399	59	83,401	68	90,800
Chilian, to Chilian ports	88	13,466	242	170,452	330	183,918
Chilian, to foreign ports	...	...	...	...	...	...
German, to foreign ports	...	...	23	37,061	23	37,061
German, to Chilian ports	1	955	52	41,701	53	42,656
French, to Chilian ports	...	...	2	4,631	2	4,631
French, to foreign ports	...	...	16	31,974	16	31,974
Total	98	21,820	419	412,314	517	434,134
,, for the year preceding ...	88	25,108	220	203,850	308	228,958

Annex B.—Return of Principal Articles of Export from Lota during the Years 1892–91.

Articles.	1892.		1891.	
	Quantity.	Value.	Quantity.	Value.
	Tons c. qr. lb.	£ s. d.	Tons c. qr. lb.	£ s. d.
Bar, copper	5,368 5 3 15	231,975 5 6	3,224 12 1 15	146,059 9 2
Ingot ,, ...	1,925 5 3 22	89,246 14 11	1,097 9 3 19	56,333 8 7
Total	7,293 11 3 9	321,222 0 5	4,322 2 1 6	202,392 17 9
Half-hides, tanned ...	60 15 1 2	4,982 6 10	61 9 1 24	5,190 10 0½
			Number.	
Dry hides	...	...	150	22 13 8½
Salted hides	9 11 2 11	324 5 3	82	31 0 1½
			Tons c. qr. lb.	
Beans	...	...	29 11 0 0	226 17 3
Hair	0 3 3 5	6 14 8	0 5 3 18	11 6 10½
			Lb. oz. dw. gr.	
Gold, in powder	...	...	13 4 15 0	529 6 10½
Bones	13 1 0 23	25 12 4	...	...
Bark for tanning hides ...	14 13 2 3	46 8 8	...	...
Máqui seed for colouring wine	11 5 3 12	88 15 4	...	...
Horns	Not obtainable	27 1 8	...	...
Grand total	7,403 3 0 9	826,723 5 2	...	208,404 12 7
Difference in favour of 1892	...	118,318 12 7	...	...

RETURN of Principal Articles of Export from Lota during the Year 1892.

To—	Articles.	Quantity. Number.	Quantity. Weight.	Value in Currency.	Rate of Conversion of Weights.	English Weight (Avoir.).	Average Rate of Exchange.	Value in Sterling.
			Kilos.	Dollars.	Kilos.	Tons c. qr. lb.	*d.*	£ *s.* *d.*
England...	Bar, copper	33,908	5,150,000	2,832,500	1,015·22	5,072 15 3 10	18·5735	219,205 19 11
France	,, ...	1,980	300,000	165,000	...	295 10 0 5	...	12,769 5 7
Total	... ...	35,888	5,450,000	2,997,500	...	5,368 5 3 15	...	231,975 5 6
France	Ingot, copper	19,479	200,000	118,000	...	197 0 0 4	...	9,131 19 5
England...	,, ...	43,916	450,000	265,500	...	443 5 0 8	...	20,546 18 8
Germany	,, ...	127,556	1,300,000	767,000	...	1,280 10 0 25	...	59,357 16 2
Peru	,, ...	467	4,600	2,714	...	4 10 2 13	...	210 0 8
Total	... ...	227,306	7,404,600	4,150,714	...	7,293 11 3 9	...	321,222 0 5
Germany	Half-hides, tanned	5,365	61,597	64,380	...	60 15 1 2	...	4,982 6 10
,, ...	Hair	...	193	87	...	0 3 3 5	...	6 14 8
England...	Horns	...	Not obtainable	360	...	...	...	27 1 8
,, ...	Bones	...	13,229	331	...	13 1 0 23	...	25 12 4
France	Salted hides	419	9,726	4,190	...	9 11 2 11	...	324 5 3
Peru	Bark for tanning	...	15,000	600	...	14 18 2 3	...	46 8 8
Montevideo	Máqui seed for colouring wine ...	...	11,465	1,147	...	11 5 3 12	...	88 15 4
Grand total ...	... ...	...	7,515,910	4,221,792	...	7,403 3 0 9	...	326,723 5 2

Annex C.—Table showing the Total Value of all Articles Exported from Lota to Foreign Countries during the Years 1892–91.

Nationality.	Steam.		Total.		Destination.	1892.			1891.		
	Number of Vessels.	Tons.	Number of Vessels.	Tons.		Value in Chilian Currency.	Average rate of Exchange.	Value in Sterling.	Value in Chilian Currency.	Average rate of Exchange.	Value in Sterling.
						Dollars.	*d.*	£ *s.* *d.*	Dol. c.	*d.*	£ *s.* *d.*
British	6	1,048¾	6	1,048¾	England	...	...	...	628,214 30	18·1489	47,505 16 7
French	8	1,482	8	1,482	,, ...	...	...	...	887,693 94	...	67,127 15 9
German	1	492½	1	492½	,, ...	...	...	...	295,000 00	...	22,308 0 5
Total	15	3,023½	15	3,023½	Total	...	...	...	1,810,908 24	...	136,941 12 9
British	1	201½	1	201½	France	...	...	...	120,573 58	...	9,117 16 5
German	2	152¾	2	152¾	,, ...	...	...	...	103,350 00	...	7,853 3 7½
French	2	325	2	325	,, ...	...	...	...	211,000 00	...	15,955 13 2
German	7	702	7	702	Germany	...	...	...	504,998 90	...	38,188 4 6¾
Chilian	1	9	1	9	Peru	...	...	...	4,600 00	...	347 17 1
Grand total ...	28	4,413½	28	4,413½	England	2,517,181	18·5735	194,803 11 9	...	...	...
					,, ...	581,500	...	45,002 0 10	...	...	...
British	25	4,495½	25	4,495½	France	63,190	...	4,890 4 11	...	...	...
French	6	1,034½	6	1,034½	,, ...	224,000	...	17,335 5 4	...	...	...
,, ...	2	108	2	108	Germany	831,467	...	64,346 17 8	...	...	...
German	2	394	2	394	Montevideo... ...	1,147	...	88 15 4	...	...	...
,, ...	23	1,341½	23	1,341½	Peru	3,314	...	256 9 4	...	...	...
,, ...	1	11½	1	11½							
Chilian	2	19½	2	19½	Grand Total ...	4,221,799	...	326,723 5 2	2,755,930 72	...	208,404 12 7
					Difference in favour 1892 ...	...	...	118,318 12 7	...	...	...
Total	61	7,403½	61	7,403½							

TABLE showing the Total Value of all Articles Exported from Lota and Imported to Lota from and to Foreign Countries during the Years 1892–91.

Country.	Exports.						Imports.	
	1892.			1891.			1892.	1891.
	£	s.	d.	£	s.	d.		
England ..	239,805	12	7	136,941	12	9	..	..
France	22,225	10	3	32,926	18	2½	..	..
Germany ..	64,346	17	8	38,188	4	6¾	..	..
Peru	256	9	4	347	17	1	..	..
Montevideo ..	88	15	4	..			..	..
Total	326,723	5	2	208,404	12	7	..	..
Difference in favour of 1892	118,318	12	7	..			..	..

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FOREIGN OFFICE.

1893.

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DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF CHEFOO.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1066

Presented to both Houses of Parliament by Command of Her Majesty,
MAY, 1893.

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CHINA.

CHEFOO.

Mr. Consul Allen to the Earl of Rosebery.

My Lord, *Chefoo, February* 25, 1893.

I HAVE the honour to submit herewith my Report on the Trade of Chefoo during the year 1892.

I have, &c.

(Signed) CLEMENT F. R. ALLEN.

Report on the Trade and Commerce of Chefoo for the Year 1892.

ABSTRACT of Contents.

	PAGE.
Total gross value	2
Foreign imports	2
Native imports	4
Exports	5
Shipping and freight	7
Dues and duties	9
Treasure	10
General remarks	10
Harbour improvement	10
Military road	11
Gold mining	12
Lead and coal mining	12
Trade with non-treaty ports	13
Opening of Yellow River to steamer traffic	14
Chefoo waterworks	16
Floods in Yellow River	16
Harvest	16
Health of schools	16

Trade and Commerce.

Gross values.

I append a table showing the total gross value of the trade of Chefoo during the last 3 years:—

Articles.	Value.		
	1890.	1891.	1892.
	£	£	£
Foreign imports	1,523,967	1,446,581	1,237,525
Native „	617,782	630,301	497,961
Exports..	1,243,868	1,014,491	1,076,904
Total	3,385,617*	3,091,373†	2,812,390‡

* At 5*s.* 2*d.* per tael = 13,105,538 Haikwan taels.
† At 4*s.* 9*d.* per tael = 13,016,269 Haikwan taels.
‡ At 4*s.* 2*d.* per tael = 13,499,471 Haikwan taels.

The decrease, which the sterling figures show, is more apparent than real, being due only to the fall in the value of the tael. If the value of imports and exports is taken in silver currency instead of in gold, a satisfactory increase takes the place of the decrease shown by the sterling figures. The increase, however, is only due to the exports, which show an advance of 897,600 Haikwan taels. Foreign imports, on the other hand, show a decrease of 150,748 Haikwan taels, and native imports a decrease of 263,650 Haikwan taels.

Foreign Imports.

The following table will show the amounts of the principal articles imported into Chefoo during the last 3 years:—

Comparative table.

Articles.		Quantity.		
		1890.	1891	1892.
Opium—				
Malwa	Chests ..	110	131	133
Patna..	,, ..	21	18	17
Benares	,, ..	177	183	161
Cottons—				
Shirtings, grey ..	Pieces ..	363,946	259,990	240,669
,, white ..	,, ..	63,571	54,890	51,156
,, dyed, plain	,, ..	17,180	18,683	15,647
,, figured ..	,, ..	13,760	17,642	23,593
T cloths	,, ..	231,026	213,843	221,573
Drills, English.. ..	,, ..	57,568	38,433	31,756
,, American ..	,, ..	44,269	76,819	64,215
Jeans, English.. ..	,, ..	4,910	2,640	3,056
Sheetings, English ..	,, ..	127,264	98,645	76,331
,, American ..	,, ..	159,719	193,370	198,235
Chintzes	,, ..	29,502	27,221	35,139
Turkey-reds	,, ..	78,300	89,971	86,826
Lastings, cottons ..	,, ..	44,517	43,350	39,384
Italians..	,, ..	7,367	7,392	6,071
Velvets and velveteens	,, ..	1,689	1,778	2,092
Muslins..	,, ..	10,338	11,313	13,441
Handkerchiefs.. ..	Dozen ..	5,818	6,130	10,079
Towels	,, ..	37,485	36,519	37,755
Yarn, English	Tons ..	96	112	92
,, Indian	,, ..	6,222	6,052	6,703
Woollens—				
Camlets, English ..	Pieces ..	1,500	1,170	770
Lastings, woollen ..	,, ..	3,435	2,880	3,220
Long ells	,, ..	980	1,358	1,105
Spanish stripes ..	,, ..	1,956	2,269	1,660
Lustres and Orleans	,, ..	730	2,100	460
Metals—				
Iron, nail rod ..	Tons ..	1,851	2,419	1,940
,, bar	,, ..	526	748	797
,, plates	,, ..	..	331	400
,, wire	,, ..	227	262	250
,, old	,, ..	6,349	9,162	8,036
Tin	,, ..	78	28	113
Lead	,, ..	85	123	112
Steel	,, ..	415	514	451
Sundries—				
Machinery	Value £	..	..	6,825
Window glass ..	Boxes ..	3,509	6,767	2,367
Matches	Gross ..	255,840	262,544	242,757
Needles	1,000 ..	272,295	267,951	269,500
Oil—				
Kerosene, American	Gallons ..	596,770	1,318,194	1,056,580
,, Russian ..	,, ..	10,000	50,000	..

These figures show how very little the import trade of Chefoo has varied during the last 3 years, which is rather a disappointing feature of the trade.

Opium.

As I said in my report on the trade of 1891, opium smokers in Chefoo depend mainly on the native grown drug, coming principally from Shansi, to supply their needs. The 311 chests of 1892, like the 332 of 1891, and the 308 of 1890, are the luxuries

of the rich only. Opium smoking in Shantung is certainly not as much in evidence as it is in the central and southern provinces; that is to say, there are not so many opium dens to be seen on the streets, nor is the scent of opium so often perceived in the servants' quarters. On the other hand I am credibly informed that opium smoking among women is very common hereabouts. In the south an opium smoking woman is, fortunately, a great rarity.

Cottons and woollens. As 1891 had been a year of depression, I had looked for a larger increase in the imports of cottons and woollens than has actually taken place. Still there is, on the whole, an improvement, which leaves room for a still better state of things in 1893.

Metals. There is a slight falling-off in the import of iron of various kinds, but I do not know to what cause to assign it. The imports of other metals are too small to call for much remark. I do not think that the import of lead is much affected by the amount produced in the province itself, as the export of lead from the Tzu Ch'uan mines only amounted to about a ton.

Machinery. I am glad to see machinery in the list of imports in 1892, though the total amount arrived in one consignment only, consisting of electric light plant for the naval station of Port Arthur.

Kerosene. The imports of American kerosene show a decrease of about 260,000 gallons, due to the fact that in 1892 no ship brought kerosene from America direct to Chefoo, as a ship did in 1891. All the shipments last year were indirect. Russian kerosene seems to have been driven entirely out of the market.

Glass. Window glass shows a considerable falling-off. The import of glassware is insignificant, though at Chefoo, as elsewhere in China, the common people highly appreciate our glass bottles. A medical missionary tells me that he is much troubled by malingerers, who sham illness in the hopes of having medicine given them in a bottle which they can take away with them.

Sundries. Aniline dyes were imported to the value of 16,032*l.*, clocks to the value of 749*l.*, soap to the value of 860*l.*, and worm tablets to the value of 295*l.* All these items, except the last, show a satisfactory increase.

Straits and Hong-Kong produce. The import of pepper from the Straits Settlements amounted to 144 tons only, against 290 tons in 1891. The sugar imported from Hong-Kong during the year amounted to 1,063 tons of brown and 1,009 tons of white. The total quantity of edible

Seaweed. seaweed from Japan was 4,651 tons, against 2,764 tons in 1891, a large increase.

Native Imports.

I append a table showing the total amount of native goods imported into Chefoo from other treaty ports during the last 3 years—

Comparative table.

Articles.		Quantity.		
		1890.	1891.	1892.
Cotton, raw	Tons ..	716	376	561
Paper, 1st quality ..	„ ..	414	632	524
„ 2nd „	„ ..	2,572	2,147	3,133
Rice	„ ..	3,705	8,349	7,190
Sugar, brown	„ ..	11,194	11,043	6,745
„ white	„ ..	5,099	4,963	1,335
„ candy	„ ..	367	531	249

Shanghai ginned cotton and yarn.

I expected to include in the above table the ginned cotton and cotton yarns made by the Shanghai cotton mills, which, in Fukien and other provinces, are exempted from likin duty, as a sort of bounty to native industry. 78 tons of the one and 36 tons of the other were imported in 1891, but in 1892 these items do not appear at all in the customs returns.

Exports.

The following table shows the amounts of the principal articles exported from Chefoo during the last 3 years:—

Comparative table.

Articles.		Quantity.		
		1890.	1891.	1892.
Beancake	Tons ..	64,732	73,382	68,641
Beans	„ ..	5,306	4,368	3,951
Dates, black	„ ..	958	395	646
„ red	„ ..	805	2,081	1,936
Fruit, fresh	„ ..	1,401	1,587	1,475
Medicines	„ ..	769	674	717
Oil beans	„ ..	50	390	469
„ ground-nut	„ ..	104	217	844
Silk—				
Raw, white	Cwts. ..	50¾	65½	30½
„ yellow	„ ..	2,786	1,614	2,126
„ wild	„ ..	2,865	1,445	3,612
Cocoons..	„ ..	433	1,285	32¼
Refuse	„ ..	7,967	4,921	4,681
Pongees	„ ..	2,536	2,577	4,030
Straw braid	„ ..	48,350	39,528	50,439
Vermicelli	Tons ..	9,032	8,305	9,755

The only items of this table which are of interest to our friends at home are the staple exports of Chefoo, silk and straw braid.

Silk.

The total value of the silk of all sorts exported was 254,680*l.*, against a value of 222,541*l.* the year before. The increase for

1892 is, of course, greater when both sums are calculated in silver instead of in sterling. The export of raw white silk is small and unimportant. As I mentioned in last year's report, this silk, resembling an inferior Hu Chou silk, is not in any great demand.

Raw white silk.

Raw yellow silk.

On the other hand there has been a considerable advance in the export of raw yellow silk, which is very like the yellow silk of the Ssu Chuen province. The figures in my table, showing the total amount of yellow silk which passed through Chefoo, give more than the amount actually sold on the local market, for a good deal is brought from Port Arthur on the Manchurian coast by native steamer, and is forwarded at once to Shanghai after paying duty at the Chefoo custom-house. A considerable quantity of wild silk is brought from the same neighbourhood, and is sent up country to be made into pongee.

Raw wild silk.

The wild silk of last year's season was of superior quality. When this is the case large quantities are exported raw. When the quality is inferior the raw silk is made up into pongee, and is exported in the shape of texture. The increase in the amount of raw silk exported in 1892 is therefore a proof of its goodness. Experts tell me that the autumn crop, which will go forward this spring, is not so good.

Pongees.

Notwithstanding the amount of raw silk exported, the trade for the year in pongees has been decidedly good also, the quality at the beginning of the season being better than that of the year before. This high standard, however, was not kept up, and before the season closed quality and price both went down. The remark that I made about the autumn crop of raw silk applies equally to pongee. The quality which will go forward this spring is certainly inferior.

Honan pongees.

There is another fabric exported from Chefoo known as "Honan pongee." It has a far whiter and more delicate appearance than ordinary pongee, and resembles the silk piece-goods of Shanghai, but merchants tell me that there is little demand for it at home. Some 300 or 400 pieces were sent to Europe in parcels of about 25 pieces, but it was difficult to find a sale for them.

Export of pongees to Burmah.

It may be worth noting that a good deal of common pongee eventually finds its way into Burmah, where it is made into "sarangs," scarves, and other articles of Burman costume.

Silk refuse.

The trade in silk refuse shows a decrease, due, I believe, to silk plushes being not so much in fashion at home.

Cocoons.

The sudden drop in the export of cocoons is noticeable. It is due to an accident, namely, a severe hailstorm, which occurred in the autumn, doing great damage in this vicinity and destroying immense quantities of cocoons.

Straw braid.

The year 1892 has also been a good one for the straw braid trade. There has been a revival of the demand for fancy plaits, and the fabric made of cotton, principally in Germany, to replace straw, went much out of fashion last summer, though I am told that lately it seems coming in again. Prices for fancy plaits at first ruled very high, as much as 50 taels, or 10*l.* a bale being asked, but this exorbitant price soon dropped to 15 taels. In the

latter part of the year the demand was principally for plain good plaits, in the manufacture of which there has been a slight improvement.

I noticed in one traveller's account of his tour in this province a statement that the straw in Shantung is deteriorating in quality and quantity, because the Chinese over-cultivate the soil and give it no rest. Experts in Chefoo do not confirm this. They admit that the straw is coarser one year than another, but they deny that there is a constant and steady deterioration.

Need of a larger market.

The trade both in silk and in straw braid, but especially in the latter, suffers from the smallness of the market. Merchants here tell me that they would welcome nothing more than the competition of other Europeans in the same trade. If there were more European merchants in Chefoo the Chinese dealers would sell more goods here, instead of forwarding their silk and straw braid to be sold on the Shanghai market.

Vermicelli.

The export of vermicelli shows a very satisfactory increase. Chefoo vermicelli goes as far as the Straits, and even to Australia. Wherever Chinese congregate there is a demand for it, though Europeans and other Asiatics fail to detect its attractiveness.

Beans and beancake.

The other products of the bean plant, beancake, beans, and bean oil call for little remark. There has been a great rise in the export of ground-nut oil.

Minerals.

I say what I have to say about minerals—possible, but scarcely actual articles of export—under the head of "General Remarks." I ought, however, to mention in this place that during 1892 a considerable quantity of hard anthracite coal was brought hither by junk from Chin Chou, on the Gulf of Pechili, and that some of this was exported hence by steamer. I burn this coal myself in an American stove, and believe it to be a good coal for steaming purposes.

Coal.

Shipping and Freight.

Shipping and freight.

The total number of vessels which entered Chefoo in 1892 was 1,308, with a tonnage of 1,073,885 tons, against 1,217 vessels, of 982,759 tons the year before. The tonnage is thus divided—

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	624	564,650	23	10,698	647	575,348
German	93	75,533	14	5,986	107	81,519
Swedish and Norwegian	4	2,933	...	...	4	2,933
Russian	11	6,179	...	...	11	6,179
Dutch	1	672	...	...	1	672
Japanese	63	53,367	...	...	63	53,367
Chinese	472	351,977	...	...	472	351,977
American	...	...	3	1,840	3	1,840
Total	1,268	1,055,331	40	18,524	1,308	1,073,835

Increases. British shipping increased from 495,513 tons in 1891 to 575,348 tons in 1892; Russian from 4,594 tons to 6,179 tons; Japanese from 40,660 tons to 53,367 tons—a very noticeable advance; Chinese from 330,683 tons to 351,977 tons, and American from 1,162 tons to 1,840 tons. German, on the other hand, went down from 104,840 tons to 81,519 tons, and Swedish and Norwegian from 5,307 tons to 2,933 tons. I think that this shows that a better class of steamers is required on this coast than those which the Germans and Scandinavians use to compete with us. The Dutch flag was altogether absent in 1890 and 1891.

Decreases.

The steamship "Kwangchi." The little steamer "Kwangchi" has been running during the year to the non-treaty ports of this province, and across the gulf to Port Arthur, on the northern coast, and making her trips with more regularity than she did the year before. She has been getting full cargoes and doing a good trade. I mention her again under the head of "General Remarks."

Freights. The combination between the steamer companies and their agreement to divide the freight earned by each company in proportion to the tonnage employed were in abeyance most of the year; but for all that the agents of the three principal companies at Chefoo agreed among themselves what they should each charge, and between them they kept up the high rates of freight and passage money mentioned in my last report, except when some "outside" steamer—usually German—appeared on the berth, when rates suddenly fell, in order to make the outsider take cargo at a loss, which would prevent his intrusion in future. The managers of the steamer companies excuse their high rates by declaring that if they were lowered steamers would not think it worth while to call in at Chefoo.

Casualties. Wreck of the "Marie." I regret to say that during the year 1892 there were several casualties to report. At the beginning of the year the German steamer "Marie" struck on the rocks at the north of the harbour, across which she drifted in a helpless condition, and eventually stranded on the sandy beach some 7 or 8 miles to the eastward of Chefoo. Several of her crew were washed overboard and drowned in getting on shore. An attempt was afterwards made to get her off, and the German steamer "Alwyne Seyd" came up to salve her; but while she was engaged in so doing on February 8 a gale sprang up, and some Chinese and one German, who were at work on the wreck, were perforce left there, as those on the "Alwyne Seyd" were barely able to save her from being wrecked, too. The wretched men on the "Marie" had to get in the rigging, where many of the Chinese were washed away, and others died from cold and exposure, the thermometer going down to 9 degrees. The survivors, including the German, were rescued the next day by the customs lifeboat. The attempts to get the "Marie" off proved futile. Altogether 24 lives were lost over this wreck Two of the German officers behaved with great gallantry and humanity, nor must I omit to mention the services of the late Mr. Ottaway, boat officer in the Imperial Maritime Customs, who was in command of the lifeboat.

In the month of June the Chinese steamer "Hsinshêng" was wrecked on the Alcestis Rock, near the Shantung Promontory. During the same month the Japanese steamer "Satsuma Marn" returned to port with her cargo on fire. Fortunately it was put out before much damage was done. Wreck of the steamship "Hsinshêng." Fire on the steamship "Satsuma Marn."

In November the British steamer "Chefoo," bound hither from Newchwang with a number of Chinese deck passengers, was in a severe gale. In a heavy lurch the deck-rail gave way and some of the Chinese passengers were washed overboard and drowned. Accident on the steamship "Chefoo."

In another gale at the end of November the American barque "Escort" was wrecked about 30 miles to the westward of Chefoo. The British barques "Stanfield," "Altair," and "Conference," all suffered more or less in the same storm, but, fortunately, there was no total loss among them. The kind and helpful services of Mr. Carrall, the Commissioner of Customs, and his subordinate officers, in taking measures to prevent loss of life on the "Stanfield" have already been reported to Her Majesty's Government. Wreck of the "Escort." Damage to other sailing vessels.

There is nothing in the shape of a Humane Society or Lifeboat Institution on this coast. Such establishments in China seem confined to the rivers.

A lighthouse is being built at Lao T'ieh Shan, on the promontory on the coast of Manchuria, directly opposite Chefoo. A great improvement was also made last year in the light on the Shantung Promontory. Lighthouses.

Dues and Duties.

I append a table of dues and duties taken from the customs returns. Duties.

DUES and Duties Paid at the Imperial Maritime Customs at Chefoo in 1892. Table.

Description.	Amount.
	£
Import dues	12,097
Export „	39,953
Coast trade duties	8,449
Tonnage dues	2,703
Transit „	..
Opium duties	1,942
„ likin	5,176
Total	70,320

Or 337,535 taels against 324,147 taels the year before. The total for 1891 was the largest amount of duties collected at Chefoo in a year up to that date except in 1887, when the total amount

was 364,547 taels, the opium "likin" for that year being 44,924 taels, and 1892 is again ahead of 1891.

Of the amount levied in 1892 163,840 taels (34,133*l.*) were paid under the British flag.

Treasure.

Treasure.

The import of treasure for the year was 174,199*l.*, of which 5,782*l.* was in gold from Corea. The export amounted to 576,589*l.*, of which 118,121*l.* was in gold for Shanghai, and 219*l.* in copper cash for Tientsin.

General Remarks.

1892 a year of unfulfilled promises.

The chief characteristic of the trade of Chefoo during the year 1892 has been unfulfilled promise. Of promise there has been plenty. We were to have important harbour improvements. A military road was to be constructed from Chefoo to Wei Hai Wei in one direction and to Chinanfu in another. Gold-mining at P'ingtu, Chao Yüan, and elsewhere, was to be prosecuted with vigour. Engineers were coming from Europe and America and new machinery was to be provided. Lead, iron, and coal mines in the neighbourhood of the provincial capital were to be worked with foreign appliances. There was to be a great development of trade with Port Arthur and the non-treaty ports of the Gulf of Pechili, and, finally, the valley of the Yellow River would be opened to steamer traffic by the canalisation of the stream of the Hsiao Ching Ho. We have even heard talk of a reservoir and of waterworks to be constructed for the benefit of the town of Chefoo. Small, indeed, have been the performances compared with the promises. Still, the promises remain, for not one of these schemes can be said to be utterly defunct. I propose to say a word or two about each of them.

Harbour Improvement.

Harbour improvements.

The construction of a wharf and bund along the front of the native town has remained in abeyance. This is due in great measure to the change of Taotais. Shêng Hsüan Luai, the Taotai of Chefoo, was confined to his bed for many weeks at the beginning of 1892, and could attend to no business. During the spring, as soon as he recovered, he was called away to Tientsin and Chinanfu, and in the summer he was transferred to Tientsin; Liu Shê Fang, at present in charge of the naval station at Port Arthur, being appointed Taotai in his place. The latter has the reputation of being a man of great ability and of having made many improvements at Port Arthur. Among others he has made waterworks to supply the garrison there with water. He is anxious, or is

under orders, to complete his work there before taking up his new post. He is, therefore, still absent. During his absence his place has been filled by Acting-Taotai Li Chêng-yung, a very pleasant and courteous official, but unaccustomed to work at a treaty port.

Breakwaters.

I have always been of opinion that a breakwater is a far more pressing necessity at Chefoo than a bund, and the gales of this winter, during which steamers and junks have lain idle under the bluff across the harbour, doing nothing for day after day, have confirmed me in it. Those who are prepared to do things on a large scale at the expense of other people's pockets, suggest breakwaters running out from Chefoo Bluff and the island opposite, which would convert Chefoo Bay into one of the most magnificent harbours in the world, but at an estimated expense of 750,000*l.*, and at an actual cost of who can say how much. A shorter breakwater from Yentai Hill would cost a tithe of this and would be an immense boon to the coasting trade, but the Chinese have not even begun to think of it. Consequently, owners and agents of steamers must do the best they can in the situation, and make a better use of the only natural advantage that they can avail themselves of, that is, the calmer water under Chefoo Bluff, for the sea is often smooth there when all work is stopped in the usual anchorage on account of the heavy waves running on this side. I have reason to believe that the customs authorities would not be unwilling to make arrangements to have cargo landed and shipped on the shore under the bluff, but then there would be a difficulty in transporting it overland to the native town or the foreign settlement. Another and, I think, a better plan would be to tranship cargo to and from hulks anchored over there. We may possibly see that done before long. In any case our merchants are alive to the necessity of employing larger lighters than those at present in use, lighters which will be better able to stand rough weather, and which will continue at work while the ordinary Chefoo cargo-boats cannot venture to face the sea. I am informed that before long we may expect to see such in the harbour.

Suggestions.

Military Road.

Military road.

The feeling which prompted the Chinese Government 2,000 years ago to build a wall 3,000 miles in length to keep out foreign invaders is not extinct yet. China believes it necessary to have a chain of forts all along her sea-coast and up the Yangtze. This province must have her share of this protection. Therefore, there is to be a naval station at Chiao Chou, south of the Shantung Promontory, another at Wei Hai Wei to the east of us, and a third at Chefoo itself. During the past year Krupp guns (nine of them, I am told) have been ordered for the two forts which are in process of construction, one on the point commanding the south entrance of Chefoo harbour and the other on a hill to the westward, too far from the water for the guns there to be of much use. Brigadier

Sun Chin-piao, the General in command, has set his men to work to make roads round about the forts and a trunk military road to go to Wei Hai Wei. No doubt his desire to keep his troops employed and out of mischief was one of the motives which induced him to begin road-making. He avows his intention, when the road to Wei Hai Wei is completed, of continuing it from Chefoo westwards to Chinanfu.

Description of the roads.

The soil in this part of the country soon cakes in fine weather into a hard clayey mass. Consequently, the roads about the forts, which have been barrelled and supplied with ditches on each side, look everything that could be desired, but Commander Adair, R.N., who went over them with me, assured me that they would never carry a heavy gun. There is little traffic there to cut them up, but on the main road to Wei Hai Wei the case is different. General Sun has certainly marked off some gradients and has made the track into something like the semblance of a road; but there have been heavy snowstorms this winter and the result has been that on the level ground this military road has become nothing but a quagmire, off which the mules and donkeys turn into the ploughed fields alongside where they find better going. Perhaps this may show the General the necessity of using road metal in making roads, especially if he has a difficulty in taking the guns (which have not yet put in an appearance) to the forts. Suitable stone is cheap and plentiful. A good road to Chinanfu, passing through the silk and straw-braid districts, would be of incalculable benefit to the trade of Chefoo. I have not heard the word "railroad" used in this connection. Railways in this part of China are still things only to be wished for, not hoped for, still less expected.

Gold Mining.

Gold mines.

I said in my report for 1891 that work on a large scale was to be begun at the gold-mines of Chao Yüan in the spring of 1892. So I was told at the time, but up to the present nothing has been done. At P'ing-tu Chinese from California have been prospecting but not mining. A certain amount of digging and washing for gold after the native methods is going on there, but unfortunately a fire took place in May last, in which the foreign machinery was destroyed and has not been replaced since, nor is it likely that this will be done. I fear that this province has, on the whole, little chance of rivalling California, Australia, or South Africa as a gold-producing country.

Fire at P'ing-Tu mines.

Lead and Coal Mining.

Lead and coal mines

I mentioned in my last report that a mixed syndicate of Europeans and Chinese had been formed to work the lead mines at Tzu Ch'uan and the coal mines at Chang Chiu.

Proceedings of the mining syndicate.

Negotiations between the European members of the syndicate and the Chinese promoters went on during the spring. On May 11 Messrs. Kingsmill and Skertchley, civil engineers and geologists, Mr. Reid, a mining engineer, and Mr. C. Myres, of Tientsin, started for the interior. They had a very successful trip, and reported on their return that there were certainly minerals in the localities which they visited in sufficient quantities to repay the expense of getting them. All that I can say is that no work has as yet been begun, but that I have reason to believe that the syndicate still hopes for a grant of the concession for which they have asked.

Development of the Trade between Chefoo and Non-Treaty Ports on the Gulf of Pechili.

Trade with non-treaty ports. Voyages of the "Kwangchi."

The steamer "Kwangchi," the property of Shêng Taotai, has been running for nearly 10 months of the year. Her voyages have principally been between Chefoo and Yang Chio K'ou, until the latter place was frozen up, and then she ran across to Port Arthur for one or two trips. Her usual voyages take her first to Teng Chou, where there is a bad anchorage, and where she takes passengers, but very little cargo. Thence she proceeds to Lung K'ou, where there is an excellent harbour, but a bar with 12 feet of water on it has to be crossed; thence to Hu T'ou or Tiger Head, where there is bad anchorage in winter. This is the port of Lai Chou, an important trading place. The steamer lies under Quoin Island. From there to Yang Chio K'ou is the final stage of the journey. The steamer enters the Hsiao Ching Ho, drawing 6 feet on an even keel, and goes up the river about 9 miles, where she anchors in 9 feet of water, the rise and fall of the tide being about 4 feet. A small steam launch tows cargo boats and takes passengers up to the town, which is 3 miles away. This steam launch was paid 200 taels (about 50*l.*) a year by the native custom-house at Yang Chio K'ou in addition to what she earned for taking cargo and passengers, but even with this sudsidy the Chinese say that she failed to pay expenses. She is now laid up in Chefoo harbour for the winter. From Yang Chio K'ou the principal cargo of the "Kwangchi" is waste silk, from Tiger Head, straw braid, and native opium. She will bring about 20 chests of the latter at a time. She has carried full cargoes every trip, which shows that there is ample room for more vessels of the same kind, and I hope that we may see the demand for them supplied.

Trade in Port Arthur.

Steam communication with Port Arthur is more irregular, but is urgently required. The "Kwangchi" on her last trip thence brought 350 bales of silk and 350 passengers. A large number of Chinese war vessels go backwards and forwards between this and Port Arthur. These certainly make a regular business of carrying passengers, and in China, where native passengers travel, large quantities of merchandise are carried as luggage. The following

table showing the number of Chinese passengers who travelled between Chefoo and other ports in 1892 in steamers and war vessels may be of interest:—

TABLE of Native Passengers.

	Number of Passengers from Chefoo to—	Number of Passengers to Chefoo from—
Newchwang	12,642	23,393
Tientsin	10,922	14,581
Shanghai	1,846	3,133
Corea	1,585	2,498
Port Arthur	1,726	2,624
,, in war vessels ..	1,986	5,849
Wei Hai Wei	30	30
,, in war vessels ..	1,160	1,638
Shih Tao ,, ...	17	23
Hong-Kong	59	38
Japan	882	248
Vladivostock	2,113	2,283
Lai Chou	995	913
Yang Chio K'ou	174	376
Lung K'ou	80	161

The preponderance of passengers arriving at Chefoo over those leaving it induces me to believe that the numbers of the former are more accurately checked than those of the latter, for this is a place where there is really more emigration than immigration. Chinese passengers have a habit of going on board steamers without tickets, and of only paying for their passage on board, and not always then, if they can successfully evade the purser.

It is not impossible that in 1893 we shall see the Kaiping coal steamers carrying merchandise between this and Port Arthur under the same regulations as the "Kwangchi." At present they only take coal thither and not other cargo.

The Opening of the Yellow River to Steamer Traffic.

Opening the valley of the Yellow River.

The following graphic account of the canal works on the Hsiao Ching Ho is taken from the "Board of Trade Journal" for November, 1892. I think myself justified in believing that it was written by one of the members of Messrs. Kingsmill's and Skertchley's expedition.

Description of the canal works near Chinanfu.

"During the great famine in China in 1889, whilst foreigners were collecting and distributing funds, the Chinese themselves were not indifferent, and an institution called the Shantung Relief Fund was established, and placed under the control of the leading officials, amongst whom were Shêng, customs Taotai at Chefoo, and

Huang, Taotai of the Metropolitan Intendency (*i.e.*, of Chinanfu). The work done, remarks 'The Shanghai Mercury,' is worthy of note. From various causes, partly neglect and partly the strain on the provincial resources caused by the irruption of the Yellow River, the internal communications of Shantung had fallen into a deplorable condition. The Grand Canal, which passes through the west of the province, had fallen into decay, the canals which formerly served the north-eastern parts of the province, through neglect, had become impassable, and the roads were a by-word, even in China.

"Chinan, though only 300 miles from Chefoo, and not much further from Tientsin, was nearly as much involved as the most distant cities of the Empire. The people, isolated from the rest of the world, had increased to an inordinate extent, and in consequence were living literally from hand to mouth. A scheme for opening up the navigation of Hsiao Ching Ho, and thereby placing Chinan in closer contact with the rest of the world was devised, and met with acceptance from the chiefs of the relief fund. It was decided to form a canal the whole way from Chinan to the Gulf of Pechili, and already some 240 li (80 miles) of navigable water have been formed. At the same time, to assist in opening up the route, the small steamer 'Kwangchi' was placed on the route from Chefoo to the embouchures of the river at Yang Chio K'ou (Ram's Horn Channel), so called from its winding nature. From Yang Chio K'ou inland a fine canal has been dug out, which is really, from an engineering point of view, a creditable work. The levels offered little difficulty. This channel is some 90 feet wide, with wide benches on each side and a considerable stream, affording from 2½ feet to 3 feet clear depth, is already in use for the purposes of navigation. As soon as the upper drainage of the Hsiao Ching Ho is turned into this channel it is hoped this depth will be increased by at least a foot, and it is anticipated that light draught steamers will be able to ascend to within 15 li (9 miles) of Chinan itself. It is also intended to drain from 1,000 to 2,000 square miles of land now occupied by moorland, and to turn this into a fairly fertile plain. At least two subsidiary streams, the Hsiao Fu Ho and the Wu Lung Chiang, join the Hsiao Ching Ho in its lower course, and by means of new connections there, it is anticipated, can be rendered navigable for some distance to the richer districts of Tsouping and Chang Chin. These are noteworthy works, and are of the greater interest because they are entirely of native inception and construction."

Mr. Kingsmill further informed me that if the Yellow River itself could be reached a good navigable channel would be found for steam launches.

The town of Yang Chio K'ou.

Although Shêng Taotai and his colleagues have done good work in making this canal, they have made an error in building the town of Yang Chio K'ou on a site where no one can live. It is in the midst of a vast salt marsh, where nothing will grow, where no provisions are to be bought, and where there is no drinkable

water. I presume that the officials hope to drain the land, and to turn it into a fertile plain.

At any rate the scheme of improving communication with the provincial capital is a hopeful one, and if carried out successfully will do much to improve the trade of the whole of North China.

Chefoo Waterworks.

Waterworks. I should be sorry to take shares in any Chefoo waterworks company for the present, but Chefoo is always in want of water, and could be well supplied at little cost. We have practically no rain during the spring and early summer, but when the hot season begins the rains come down in torrents. Chefoo is surrounded by an amphitheatre of hills, at the base of which are gullies cut deep in the clay soil by the rush of waters from the hills. It would be the easiest possible feat of engineering to turn some of these ravines or gullies into reservoirs, as has been done with such success in the Island of Hong-Kong. They could be made about 200 feet above the level of the town, which would ensure sufficient pressure to fill the mains. Our expected Taotai, Liu Shê Fang, has already started waterworks for the benefit of the garrison at Port Arthur. It is therefore hoped that he may not be unwilling to do the same for Chefoo, and I have little doubt that designs will be laid before him on his arrival.

1892 a quiet year. I am glad to say that peace has prevailed through the province during the year, except at Wei Hsien, where the people raised a disturbance in the summer, attributable, it is said, to the exactions of the salt gabelle, but it was quickly put down.

Floods on the Yellow River. The Yellow River overflowed its banks in the autumn, and did much damage. I am told that the banks have been successfully repaired.

Harvest. The early, or wheat, harvest in this neighbourhood was average in quality, but the later and more important harvest of millet and maize, the staple food of the common people, was inferior, owing to bad weather. As a Chinese friend expressed it, "At the time when it ought to be fine, it was not fine; at the time when we wanted rain, no rain fell." The winter set in early, and has been unusually severe. There have been early falls of snow, which the Chinese expect will be beneficial to next year's harvest.

Chefoo as a health resort. The number of our mercantile community shows no increase, but Chefoo as a health resort and sanatorium in hot weather becomes more and more popular every year. All the hotels and boarding houses were full in the summer months. The boys' and girls' schools, under the direction of the Missionaries of the China Inland Missionary Society, are refusing boarders for want of sufficient accommodation, and larger buildings are to be started this spring.

Chefoo schools.

The year was healthy on the whole, but in the late autumn there were several cases of typhoid fever due to the use of impure water. I should mention here that the water supplied to the shipping is drawn from wells outside the town, whose purity is unimpeached. Health of the year.

I once more accord my thanks to the Commissioner of Customs for giving me access to the customs statistics. Thanks to Commissioner of Customs.

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1061.

Presented to both Houses of Parliament by Command of Her Majesty, MAY, 1893.

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CHINA.

TAINAN.

Consul Warren to the Earl of Rosebery.

My Lord, *Tainan, February* 28, 1893.

I HAVE the honour to hand to your Lordship my Report on the Trade of Tainan for the year 1892.

I have, &c.

(Signed) PELHAM WARREN.

Report on the Trade and Commerce of Tainan for the Year 1892.

ABSTRACT of Contents.

	PAGE
General sketch of trade—	
Tendency of trade to decrease	2
Likin, imposition of in 1886, effects of on revenue	2
Fostering of trade in former years	2
Taxation avoided	2
Tonnage dues on native craft	2
Increased prosperity consequent on fostering trade	2
Sugar crop the measure of prosperity	2
Likin and land-tax, disturbances in consequence	3
Export in native bottoms	3
Sterling values misleading	3
Rice, exported only in junks, export of much diminished, export of from ports on west coast	3
Foreign import trade, stationary for last 10 years	4
Opium, consumption of	4
Differential duties, import trade injured by	4
Trade returns do not show entire consumption of foreign goods	5
Total trade, decrease in	5
Shipping, how divided	5
Imports—	
Opium, decrease in import, reasons for	5
Cottons	6
Woollens	6

ABSTRACT of Contents—continued.

	PAGE
Imports—continued—	
Kerosene oil	6
Russian oil	6
Exports—	
Brown sugar, export small, trade remunerative, prospects for 1893 bad, sugar damage by typhoons	6
Camphor, improvement in trade in, high price paid for, camphor districts better in Mid-Formosa than in North Formosa, attempt to revive monopoly in certain districts	7
Miscellaneous remarks	8
Shipping returns	9
Import „	10
Export „	11
Returns of total values of exports and imports	11

General sketch.

Tendency of trade to decrease.

That foreign trade in South Formosa shows no signs of increasing there can, unfortunately, be no doubt; the tendency, on the contrary, is, if anything, the other way. Many reasons are assigned for this, but chief amongst them must undoubtedly be reckoned the imposition of likin and the increased levy of land-tax.

Imposition of likin in 1886.

Effect of likin on revenue.

When in 1886 the then governor of the island, Liu Ming-ch'uan, proposed to levy likin on exports with the view of supplementing the revenue, which he declared to be too small for the necessities of the island, it was pointed out to the Chinese officials that, at any rate, as regarded the south of the island, the result would be to prevent any extension of trade, and that the revenue would be rather diminished than increased. The experience of the past 6 years has proved the correctness of this view.

Fostering of trade in former years.

It had always been held by the Chinese authorities that the trade of Formosa required fostering, and that every encouragement should be given to immigration from the mainland.

Taxation avoided.

With this object taxation was avoided as far as possible. The land-tax was assessed at very low rates, no duties were charged on goods imported or exported in native bottoms, and last, though not least, likin was unknown. The only duty levied was one of the nature of a tonnage due collected each voyage from the junks trading either to the treaty ports or non-treaty ports of the island.

Tonnage dues on native craft.

Increased prosperity consequent on fostering of trade.

This state of things continued from the opening of the island to foreign trade until 1886, and the general prosperity and trade of the island advanced steadily as was hoped. There was a constant stream of immigration from the mainland, chiefly from the neighbourhood of Amoy, and the population rapidly increased.

Sugar crop, the measure of prosperity of South Formosa.

Sugar being the principal article of export from South Formosa the amount exported in any one year is usually taken as a fair indication of any improvement or falling-off in the trade generally.

In 1880 the sugar export had increased steadily from 658,094 cwts. in 1870 to 1,288,095 cwts. During the next 4 years the export fluctuated somewhat, but was never below 840,000 cwts., while in 1884 it amounted to 1,070,238 cwts. In 1885 the island was blockaded by the French fleet and trade was consequently very much injured; but it was confidently hoped that the injury would be only temporary and that trade would revive after the with-

drawal of the blockading force, and there seemed no reason to doubt that the previous ratio of steadily increasing prosperity would be maintained.

Likin and land tax.

Unfortunately, 1886 saw not only the imposition of likin on exports but also the re-assessment of the land tax. Land that had previously been untaxed, or very slightly taxed, was now put on the new register and taxed beyond what in very many instances it could bear. I know of one case in which the annual tax on a small plot was raised from 5 dol. to 50 dol., and doubtless other land was taxed in proportion. The people refused to pay this increased tax; force had to be employed, and for many months the whole country was in a state of disturbance amounting almost to rebellion. Many of the smaller farmers were ruined and gave up their land; others who resisted payment were treated as outlaws and had to take refuge amongst the civilised aborigines and the Hakkas. Immigration stopped, as South Formosa was no longer considered a desirable place in which to invest capital or labour, and trade declined steadily until in the year under review the entire sugar crop exported in foreign bottoms amounted only to 665,042 cwts.

Disturbances in consequence of increased land tax.

Diminished prosperity.

Decrease of rural population.

Rise in wages and cost of food.

Deterioration of soil.

In consequence of the decrease in the rural population wages have risen and the cost of production is much higher than formerly. Food, too, is dearer; in some districts it has almost doubled in price, whilst the ground under cultivation is not nearly so productive as formerly, repeated cropping without manuring having impoverished the soil, while the producers are not inclined to invest money in improving cultivation or in opening up fresh ground.

Export in native bottoms.

The falling-off in the export in foreign bottoms is also to be attributed to some extent to an increase in the export by junks; but from inquiries which I have made in various parts of the county I am convinced that although the export junk trade has increased during the last 6 years, and is still increasing, the increase up to the present time has not been so great as to account for any large proportion of the falling-off in the export in foreign vessels. In 1870, the year in which trade in South Formosa first began to show signs of activity, the value of the export trade was 1,254,020 Haikwan taels, equal at the then rate of exchange, 6*s.* 8*d.* to the Haikwan tael, to 418,016*l.* The export trade of 1892 though showing a total value of 1,583,132 Haikwan taels, is only equal in sterling to 356,204*l.* In this case sterling values are misleading, as the entire export was to Chinese ports and to Japan and was paid for in silver; there was no export trade to foreign countries in either year.

Trade first began to improve in 1870.

Sterling values misleading.

Rice exported only in junks.

One branch of the export trade has been completely absorbed by the junks. I allude to rice. In the early days of the port large quantities of rice were exported in foreign bottoms; at the present moment the export is practically nil. The export was in former days chiefly from Takow and Tang K'ang, the port immediately south of the treaty port, and was divided between foreign and native bottoms.

After a time it passed entirely into the hands of the junks, and, later on, even this trade dwindled away, and the principal export, of rice at the present moment, is from Wu-chi and Hon-lung, two ports on the western coast of North Formosa, which are said to be increasing in importance every day.

Foreign import trade. Stationary for last ten years.

As regards foreign import trade the value appears to have been nearly stationary for the last 10 years. In 1870 the sterling value was 296,959*l.* During the next 10 years there was a steady improvement, and in 1881 the value of the trade was estimated at 670,004*l.* This improvement, however, was not kept up, and the value of the import trade of 1892, 326,443*l.*, is about the average annual value of the trade for the last 10 years.

Opium.

Opium is the principal article of import, and this branch of the trade, though showing some variableness, has, on the whole, improved slightly up to 1892, when the import was somewhat short of preceding years.

Increased consumption of opium.

In view of the increasing poverty of the island mentioned above it seems strange that the import of opium should have increased of late years. This, however, is to be accounted for by the fact that opium is chiefly consumed in the urban districts; the country people smoke comparatively little, and although the rural population has decreased considerably in some parts of the country, the urban population, on the contrary, is steadily increasing. The habit of opium smoking, too, is becoming more prevalent among all classes in the towns and is even said to have become hereditary, children of a very tender age whose mothers have been opium smokers taking to it naturally. The almost universal prevalence of the habit is accounted for by the comparative cheapness of Persian drug, which is now used to the nearly complete exclusion of Indian, and which when mixed with either native opium or sesamum cake is well within the means of all but the very poorest.

Persian drug used to exclusion of Indian.

Differential duties. Import trade injured by.

The general import trade in foreign bottoms has suffered greatly at the hands of the junks, and as long as the system of differential duties continues unchecked there will be no improvement. To take one instance, kerosene oil is laid down at Takow by junk 5 *c.* a case cheaper than by steamer, and the importers by junks are consequently in a position to undersell the foreign importer, who obtains his oil direct from the mainland by steamer. No duty is charged on imports by junk, and in addition to this junks are able to take cargo direct to the small ports on the coast. Should foreign merchants wish to send cargo by native boats from the treaty ports to these small ports, the authorities insist on treating such cargo as export, and demand payment either of likin or transit duties. The case is much the same if the foreign merchant sells at the port; the Chinese purchaser being compelled to pay likin if he sends forward the cargo by boat, though if he sends it overland it is treated as an import, and is therefore free, no likin being leviable on imports. The cost of land carriage is so heavy, as compared by that by water, that nothing save opium is sent overland, and the Chinese merchants find it better to

purchase goods in Hong-Kong, send them to Namoa, and export them thence in native craft to the small ports which supply the districts for which these goods are destined. Even in the treaty port the foreign merchant cannot compete with the native, much less in the outlying districts. The above reasons account, to a great extent, for the stagnant condition of general foreign import trade during the past 10 years. The returns of foreign trade by no means show even approximately the amount of foreign goods consumed in the country; it is doubtful whether they even show the amount consumed at the treaty ports and in their immediate vicinity.

Trade returns do not show entire consumption of foreign goods.

In my last report I pointed out the injury that was inflicted on foreign carrying trade by the system of differential duties, the obstacles placed in the way of foreign merchants, and the facilities afforded to native craft. The same state of things continuing, and the evil increasing steadily, the foreign merchant is completely handicapped.

Total Trade.

The total value of foreign trade in South Formosa during 1892 amounted to 671,209*l.*, as against 796,980*l.* in the preceding year, showing a falling-off of 125,771*l.*

Total trade. Decrease.

Shipping.

The total tonnage employed was 119,545 tons, as against 111,947 tons in 1891.

Shipping.

The British share of the carrying trade amounted to 80,610 tons; the remainder was divided between Japanese, German, Chinese, and Norwegian, the Japanese share being the larger, viz., 15,844 tons.

The number of sailing ships employed was again less than in the preceding year. Steamers now monopolise the entire foreign carrying trade with the one exception of that to Chefoo, in which sailing ships still take a slight share.

Imports.

The import of opium shows a decrease as compared with the two previous years, for which it is not difficult to account. In consequence of the failure of most of the crops in the island, notably of rice, sweet potatoes, and sugar, there is considerable distress amongst the poorer classes, and the consumption of opium by them has been somewhat curtailed. Again early in the year the price of Persian opium advanced to over 420 dol. per cwt. as against 252 dol. per cwt. for 1891. By November the price had risen to 432 dol. per cwt., after which it fell somewhat, and the stocks in hand being large there is little prospect of any speedy improvement of the market.

Opium. Decrease in import.

Indian opium still continues to lose ground steadily. The import in 1892 was only 229 cwts., less by 214 cwts. than in 1891.

Indian opium.

There is no chance of any improvement; rather the reverse, in fact, the demand is less every day.

Cottons. Cotton goods of all kinds show a falling-off, but this probably merely means increased import in native bottoms. The difference between the import of 1891 and that of 1892 is, however, slight, amounting in value to 4,400*l.*

Woollens. The same may be said of woollen goods as of cotton, but the falling-off in this case amounts to 7,202*l.*

Kerosene oil. The import of kerosene oil shows a very large increase, and this notwithstanding the ever-increasing import in junks. In 1891 125,400 gallons of American oil were imported, whilst in 1892 302,040 gallons of American oil were imported, and, for the first time, Russian oil found a market here to the extent of 100,000 gallons. A slight preference is shown for American oil, though the price of the two oils are the same, the American tins being said to hold a little more. The stocks in hand at present are very large, and prices lower than has ever been known. Kerosene has completely driven ground-nut oil out of the field; the latter is now only used for culinary purposes, and only sufficient is produced for the needs of the island. The export both of ground-nut oil and cake has entirely ceased as far as foreign vessels are concerned.

Exports.

Brown sugar. The sugar crop of 1891–92, as compared with ordinary years, was poor. The total export of brown sugar was only 665,042 cwts., and although this shows a slight advance upon the export of 1891, it cannot be regarded as anything but most unsatisfactory, seeing that the export of 1891 was itself very much below the average.

The quantity of sugar sent to Japan from Takow was comparatively small. This is partly to be explained by the fact alluded to in previous reports that a considerable quantity of the sugar produced in the Takow districts is now forwarded to Anping and shipped thence to the northern ports of China. A higher price is paid for sugar destined for these ports, and in the country between Takow and Anping a better class of sugar is now produced to meet the requirements of the northern market. Japan takes all the so-called "Takow" sugar, and in 1892 the supply was unequal to the demand.

Export small. Trade remunerative. Although the export was small those engaged in the trade are said to have done well, both in Japan and in the northern market. The export to Ningpo increased somewhat. This part of the trade was previously entirely in the hands of the junks, but is now passing to steamers.

Prospects for 1893 bad. The prospects of the 1892–93 crop are bad in the extreme. Great damage was done to the cane by the typhoon of July 21, and later on by that of October 10. At the latter date the cane was so far advanced that recovery from the damage done was impossible, and this added to want of rain, the season having been unusually dry, will make the outturn one of the smallest known for many years.

Camphor. Improvement in trade.

The trade in camphor shows a very satisfactory improvement and bids fair to become a very important factor in the trade of South Formosa. 5,441 cwts. of camphor were exported to Hong-Kong as compared with 2,524 cwts. in the preceding year. The Government monopoly for a long time rendered it impossible for foreigners to take any part in the trade. In 1889, 759 cwts. only were exported. In 1891 the export reached 2,524 cwts., but owing to the heavy so-called frontier defence tax, which was imposed at the time the Government monopoly was abolished, it did not seem likely that any great expansion of the trade would take place. The high prices ruling in Hong-Kong have, however, induced foreign merchants to take an interest in the trade, and there are now several foreign firms employing Chinese agents to purchase camphor in Mid-Formosa. The result is that the export for the year under review has risen to 5,441 cwts., and the trade seems to show every prospect of increasing The price for camphor delivered in Hong-Kong ranged from 4*l.* 16*s.* to 7*l.* 10*s.* per picul of 133⅓ lbs., and at one time rose to 8*l.* 14*s.* At these rates very handsome profits were made, and merchants could afford to pay the heavy tax alluded to above. The central districts of Formosa are very thickly wooded, and there is no fear of the camphor supply becoming exhausted for many years—some hundreds, the Chinese declare; still it is a matter of much regret that the officials take no steps to enforce planting.

Camphor districts in Mid-Formosa.

These districts are apparently more accessible to Chinese than those further north, for so far they have not suffered from savage raids, and the camphor distillers work in peace undisturbed by their neighbours on the other side of the frontier. From the north, on the contrary, we hear not unfrequently of distilleries broken up and distillers murdered.

Attempt to revive the monopoly in certain districts.

Although the Government monopoly has been abandoned, there are not wanting signs of an attempt on the part of certain subordinate officials to create a monopoly in one of the richest of the central camphor districts. In Yün-lin, lying to the east of Chaughwa, there are one or two Chinese hongs engaged in the camphor business. These hongs give employment altogether to six camphor distilleries, the only ones at present in the place. Foreign merchants are anxious to start a business in Yün-lin, but are prevented by the action of the so-called Camphor Office, the official in charge asserting that under the Camphor Regulations of 1869 foreign merchants or their Chinese employés are allowed to purchase camphor up country, but that no provision is made for their employing natives to distil camphor; that, in consequence, unless they can purchase camphor from the distilleries already at work they cannot be permitted to engage in the business, as to hire labour for the distilling of camphor is contrary to the regulations since made by the Governor of the Island. The objection raised is of course frivolous in the extreme, but not the less likely on that account to interfere seriously with the interests of the foreign merchants engaged in the camphor trade here.

Miscellaneous Remarks.

Earthquakes.

On April 22 was experienced one of the most severe shocks of earthquake known for more than 20 years. Great damage was done both to foreign and native buildings at Takow and Anping, so great in fact that the price of building material and of labour was more than doubled, and it was some months before the damage done could be repaired. This shock was followed by several slighter ones; 12 shocks in all were recorded during the months of April, May, and June.

Typhoons.

A very severe typhoon visited the south of the Island on July 21, the centre passing between Takow and Anping. The typhoon caused even more destruction than the earthquake, and the loss of life amongst the Chinese was very great. Entire villages were swept away, junks were driven out to sea and lost with all hands, and crops of all descriptions were in many places completely washed away. In one town alone, Tángkang, about 12 miles south of Takow over 100 people were drowned, and more than 200 houses were destroyed. The distress amongst the people has been very great in consequence, and matters were made worse by a second typhoon which occurred on August 16. While the ravages caused by the first were confined to the south part of the Island, the August typhoon spared the south but caused great destruction in Mid-Formosa and on the west coast. At Loh-kang and Wuchi seven large junks were wrecked and 70 lives lost, while the crops were all more or less damaged.

The Bokhara typhoon of October 10 was not felt so severely here; the wind blew from north-east, shifting only a few points—indeed, but for the low glass it would have been put down as merely a strong north-east gale.

Disturbances amongst aborigines.

Early in August the aborigines in the south made serious incursion into the Hengchun district. Troops were sent down from Tainanfoo and remained encamped in and about the districts for some months. Nothing, however, was effected, as at brisk fighting the aborigines have it all their own way, and towards the end of the year the Chinese force returned having lost many men, some from disease and others having fallen into ambushes and been murdered by the savages.

Japanese sailors wrecked; well treated by aborigines.

Towards the end of December, certain Japanese were wrecked near the South Cape. The aborigines into whose hands they fell, took them to the lighthouse and handed them to the light-keeper, who communicated with the I.M. customs at Takow. A steam launch was sent down to bring them up and they were shipped off to the mainland. The manner in which these men were treated by the aborigines is in strong contrast to what took place in 1873, when in a similar case all the shipwrecked Lewchew Islanders who fell into the hands of the aborigines were murdered.

Annex 1.—RETURN of all Shipping at the Port of Tainan for the Year 1892.

ENTERED.

Nationality.	Sailing.		Steam.		Total.		Total Value of Cargoes.
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	£ s. d.
British	64	38,825	5	1,980	69	40,805	315,371 18 6
Chinese	5	3,371	...	...	5	3,371	2,425 5 6
German	4	3,592	5	1,880	9	5,472	6,811 4 0
Swedish and Norwegian ...	3	1,979	...	...	3	1,979	188 11 0
Japanese ...	8	7,922	...	...	8	7,922	1,646 15 6
Total	84	55,689	10	3,860	94	59,549	326,443 14 6
,, for the year preceding ...	72	50,565	15	5,682	87	56,197	388,414 15 0

CLEARED.

Nationality.	Sailing.		Steam.		Total.		Total Value of Cargoes.
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	£ s. d.
British	64	38,825	5	1,980	69	40,805	200,748 16 6
Chinese	5	3,371	...	...	5	3,371	9,072 18 0
German	4	3,592	6	2,327	10	5,919	63,182 5 0
Swedish and Norwegian ...	3	1,979	...	...	3	1,979	13,076 11 0
Japanese ...	8	7,922	...	...	8	7,922	70,124 3 6
Total	84	55,689	11	4,307	95	59,996	356,204 14 0
,, for the year preceding ...	72	50,565	14	5,185	86	55,750	422,730 15 0

Exchange: 1 Haikwan tael = 5*s.* in 1891, 4*s.* 6*d.* in 1892.

Annex 2.—RETURN of Principal Articles of Import into Tainan during the Years 1892–91.

Articles.		1892. Quantity.	1892. Value. £ s. d.	1891. Quantity.	1891. Value. £ s.
Foreign goods—					
Opium—					
Patna	Cwts.	2·81	185 8 0	...	...
Benares	,,	226·60	13,445 2 0	443·62	26,178 0
Persian	,,	3,596·36	190,917 4 6	3,825·12	224,223 5
Cotton goods—					
Shirtings, grey, plain	Pieces	18,144	6,701 17 0	19,179	8,137 0
,, white, plain	,,	10,188	5,814 18 0	12,926	8,792 5
T-cloths, 32 inches	,,	5,843	1,111 10 0	10,430	2,702 0
Miscellaneous cotton goods	...	...	4,680 4 6	...	3,077 0
Woollen goods—					
Camlets, English	Pieces	3,635	7,125 10 6	3,832	11,859 10
Lastings, plain	,,	1,648	2,576 5 0	1,657	2,589 5
Spanish stripes	,,	401	1,081 11 6	452	1,280 10
Alpacas	,,	2,267	1,650 12 0	1,468	1,054 10
Italian cloth, plain and figured	,,	1,309	973 16 0	1,886	1,511 15
Woollen thread	Cwts.	93·47	1,434 7 6	93·72	1,564 10
Miscellaneous woollen goods	...	...	3,199 14 6	...	3,620 5
Metals, miscellaneous	...	...	1,718 2 0	...	1,764 0
Sundries—					
Awabi	Cwts.	193·73	786 16 6	255·52	1,108 15
Cuttlefish	,,	607·84	1,899 4 6	607·48	2,139 0
Flour	,,	5,346·96	3,241 11 6	3,820·44	2,421 5
Ginseng, American	,,	36·25	3,555 4 6	37·77	3,950 5
Kerosene, American	Gallons	302,040	8,071 17 6	125,400	3,926 15
,, Russian	,,	100,000	2,700 0 0	20,000	524 10
Milk, condensed, in tins	Dozens	1,799	701 2 0	2,950	1,220 10
Prawns and shrimps, dried	Cwts.	611·52	1,879 13 0	487·71	2,293 15
Wine	...	...	925 4 0	...	1,416 15
Miscellaneous sundries	...	...	16,931 5 0	...	20,238 10
Total	...	...	283,308 1 6	...	337,593 15
Native produce—					
Bags, hemp	Pieces	153,700	1,324 16 0	167,160	1,592 0
,, grass and straw	,,	489,950	2,720 0 6	299,825	2,270 0
Cake-stuff	Cwts.	458·93	1,714 14 6	501·78	3,100 10
Grass-cloth, fine	,,	97·98	1,643 12 6	131·77	2,608 15
Jadestone ware	...	...	1,019 0 6	...	800 10
Joss-sticks	Cwts.	626·96	1,061 11 0	765·52	1,342 15
Medicines	...	...	4,975 4 0	...	6,409 0
Silk piece-goods	Cwts.	33·45	3,110 12 6	27·79	2,243 15
Tobacco, prepared	,,	831·90	2,733 10 6	1,018·68	3,915 5
Wood poles	Pieces	5,573	2,110 19 0	3,064	1,872 5
Woollen and cotton mixtures	,,	8,820	1,858 10 0	8,049	1,905 0
Miscellaneous	...	...	18,863 2 0	...	22,761 5
Total	...	...	43,135 13 0	...	50,821 0
Grand total	...	...	326,443 14 6	...	388,414 15

Exchange: 1 Haikwan tael = 5*s.* in 1891, 4*s.* 6*d.* in 1892.

Annex 3.—RETURN of the Principal Articles of Export from Tainan during the Years 1892–91.

Articles.		1892. Quantity.	1892. Value. £ s. d.	1891. Quantity.	1891. Value. £
Exports—					
Bamboo shoots	Cwts.	1,335·22	809 6 6	1,317·15	1,221 0
Camphor	,,	5,441·32	16,271 15 6	2,524·45	6,352 5
Hemp	,,	1,865·75	4,699 2 6	2,018·27	5,199 15
,, pine-apple	,,	447·78	1,347 6 0	652·92	1,748 0
Lung-ngan pulp	,,	8,032·90	9,225 9 0	4,067·19	6,829 0
Lung-ngans, dried	,,	7,256·66	5,395 19 0	1,916·83	2,502 10
Sugar, brown	,,	665,042·43	257,675 8 0	649,232·44	340,222 15
,, white	,,	50,565·24	36,323 15 6	28,259·14	25,506 0
Turmeric	,,	24,190·79	9,455 17 0	24,943·43	13,226 15
Miscellaneous		...	3,561 10 6	...	5,757 10
Total		...	344,765 9 6	...	408,565 10
Re-exports—					
Foreign goods		...	11,304 0 0	...	14,106 5
Native produce		...	135 4 6	...	59 0
Total		...	11,439 4 6	...	14,165 5
Grand total		...	356,204 14 0	...	422,730 15

Exchange: 1 Haikwan tael = 5*s.* in 1891, 4*s.* 6*d.* in 1892.

Annex 4.—RETURN showing the Total Value of all Articles Exported from and Imported into Tainan to and from Foreign Countries and Chinese Ports during the Years 1892–91.

Country.	Imports. 1892. £ s. d.	Imports. 1891. £ s.	Exports. 1892. £ s. d.	Exports. 1891. £ s.
Great Britain	...	...	...	...
Hong-Kong	276,668 6 6	336,657 15	60,294 7 6	45,542 0
United States	1,755 0 0	...	...	...
Japan	443 14 0	324 0	116,692 13 0	163,382 15
Total foreign countries	278,867 0 6	336,981 15	176,987 0 6	208,924 15
Chinese ports	47,576 14 0	51,433 0	179,217 13 6	213,806 0
Total foreign countries and Chinese ports	326,443 14 6	388,414 15	356,204 14 0	422,730 15

Exchange: 1 Haikwan tael = 5*s.* in 1891, 4*s.* 6*d.* in 1892.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF AMOY.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1012.

Presented to both Houses of Parliament by Command of Her Majesty, MAY, 1893.

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CHINA.

AMOY.

Consul Forrest to the Earl of Rosebery.

My Lord, *Amoy, March* 3, 1893.

I HAVE the honour to enclose herewith my Report on the Trade of Amoy for the year 1892.

I have, &c.
(Signed) R. J. FORREST.

Report on the Trade and Commerce of Amoy for the Year 1892.

ABSTRACT of Contents.

	PAGE
Silver and sterling values of trade 1888–92	1
Shipping	4
Imports—	
Total value	4
Opium	5
Piece-goods	5
Sundries	6
Kerosene, &c.	7
Exports—	
Tea	8
Sugar	10
Sundries	10
Emigration	10
General remarks	11
Tables—	
Shipping returns	11
Export „	12
Import „	13, 14
Returns of value of imports and exports	14

Increase in gross silver value.

The value of the trade of Amoy during the years 1888–92 in silver and sterling is exhibited in the following tables.

The gross silver value, which had already advanced to the extent of 198,757 Haikwan taels in 1891, showed during 1892 a

further increase of 207,641 Haikwan taels, equal at the average sight rate of exchange of 4*s.* 3¼*d.* to the tael to 44,330*l.* If, however, the foreign and native re-exports, amounting respectively to 405,306 Haikwan taels (86,549*l.*) and 3,716,515 Haikwan taels (793,631*l.*), are excluded, it will be seen that the net silver value of the trade so far from showing any increase has, in fact, fallen short of the figures of the previous year by 226,232 Haikwan taels (48,311*l.*). As explained in my report for 1891 this is the fairest test of the fluctuations of trade.

Decrease in net silver value.

The trade of Amoy has, then, suffered a slight diminution during the year under review.

A consideration of the sterling values of the trade would have led to the conclusion that the falling-off had been much more serious. The unprecedentedly low rate of exchange which ruled throughout 1892—on an average 6¼*d.* in the tael lower than in 1891 (itself a year of unusually low exchange)—has occasioned a decrease of 332,202*l.* in the gross value, and 228,811*l.* in the net value of the trade as stated in sterling.

Greater decrease in sterling value of trade.

TABLE showing the Gross Silver Value of the Trade of Amoy during the Years 1888–92.

Year.	Imports.	Exports.	Total.
	Haikwan taels.	Haikwan taels.	Haikwan taels.
1888	13,132,036	2,541,004	15,673,040
1889	12,705,262	2,514,037	15,219,299
1890	12,030,846	2,229,603	14,260,449
1891	12,122,667	2,336,539	14,459,206
1892	12,428,302	2,238,545	14,666,847

TABLE showing the Gross Sterling Value of the Trade of Amoy during the Years 1888–92.

Year.	Imports.	Exports.	Total.
	£	£	£
1888	2,954,709	571,725	3,526,434
1889	2,991,030	591,846	3,582,876
1890	3,107,969	575,981	3,683,950
1891	2,904,389	559,796	3,464,185
1892	2,653,960	478,023	3,131,983

TABLE showing the Net Silver and Sterling Values of the Trade of Amoy during the Years 1888–92.

Year.	Rate of Exchange.	Imports.		Exports.		Total.	
		Currency.	Sterling.	Currency.	Sterling.	Currency.	Sterling.
	Tael. = *s.* *d.*	Haikwan taels.	£	Haikwan taels.	£	Haikwan taels.	£
1888	1 = 4 6	9,708,580	2,184,430	2,541,004	571,725	12,249,584	2,756,155
1889	1 4 8½	9,427,971	2,219,501	2,514,037	591,846	11,942,008	2,811,347
1890	1 5 2	9,219,463	2,381,695	2,229,603	575,981	11,449,066	2,957,676
1891	1 4 9½	8,434,719	2,020,818	2,336,539	559,796	10,771,258	2,580,614
1892	1 4 3¼	8,306,481	1,773,780	2,238,545	478,023	10,545,026	2,251,803

Shipping.

Increase in total shipping.

Increased percentage of British ships.

The total shipping of the port under all flags has considerably increased, the numbers being 1,939 ships, of 1,754,879 tons in 1892, against 1,867 ships, of 1,659,212 tons in 1891. Out of this total 1,565 of the ships, or 80·7 per cent., and 1,461,004 tons, or 84·4 per cent. of the tonnage entered and cleared at Amoy were British, as compared with 1,433 ships (76·8 per cent.) and 1,322,890 tons (79·7 per cent.) in 1891.

Sailing ships.

In sailing ships the British flag shows, however, a falling-off from 115 to 75 in the number of vessels entered and cleared, while the German has advanced from 62 to 68. The great expansion of the kerosene oil trade has encouraged the employment of several American sailing ships, as is shown in Annex A.

Steamers.

Of the 1,776 steamers entered and cleared, with a total tonnage of 1,681,038, 1,490 vessels, of 1,425,674 tons, were under the British flag, showing an advance upon the figures of 1891 of 172 ships and 158,408 tons. These numbers are higher than are recorded in any previous year. The numbers of Chinese and German steamers have, on the other hand, fallen from 178 to 129, and from 96 to 51 respectively. Steamers of other nationalities do not show any striking change.

Java trade.

The recent withdrawal of the two Dutch steamers, which have hitherto run between Amoy and the Java ports, has left the direct trade with the Dutch East Indies entirely in British hands.

Proposed local Chinese steamer lines.

A proposal has been mooted by the China Merchants Steam Navigation Company to introduce a line or lines of steamers to run between Amoy and T'ung An, Ch'üan-chou, Shih-ma, and other places in the neighbourhood, but it has failed hitherto to obtain the sanction of the provincial Government.

Imports.

Gross and net values of imports.

The sum of 2,653,960*l.*, given as the gross total value of the goods imported to Amoy during the year 1892, is made up of the following items :—

Description.	Value.
	£
Foreign goods imported from foreign countries	1,297,397
" " other Chinese ports	10,028
Native goods imported	1,346,535

But, out of these totals, foreign goods to the value of 86,549*l.* and native goods to the value of 793,631*l.* were re-exported. In some articles the amount re-exported during the year was in excess of that imported, so that the total shown in Annex B exceeds the actual net value of imports by the sum of 83,320*l.*

Fall in sterling values through low exchange.

It will be seen from the table that, whereas the quantity of many denominations of goods shows an advance upon 1891, the value shows a material diminution. This is notably the case with cotton goods. With the exception of Turkey-reds, where a contrary tendency is exhibited, every kind of cotton goods has advanced in quantity and fallen off in value. This is, of course, due almost entirely to the depreciation of silver.

Foreign opium, decrease.

The import of opium shows a decrease of 57,395 lbs., equal to about 8 per cent. of the whole quantity imported. Of this decrease Malwa accounts for 13,993 lbs., but as this drug all goes to districts adjacent to Swatow this simply implies that since likin was equalised trade is fulfilling its natural law by going to the most convenient centre. Benares shows a decrease of 197,896 lbs., but is still the favourite drug here. The decrease is entirely owing to the rapid advance in price in Hong-Kong in August and September, and subsequent drop on account of which Chinese speculators were induced to unload in Amoy large stocks of Persian and Patna. These two varieties as will be seen advanced 114,210 lbs. and 30,285 lbs. respectively.

Opium trade largely in Chinese hands.

I am informed that many foreign houses are doing but little business in opium at present, as the trade offers very small hopes of profit and the danger of selling on credit to Chinese dealers increases day by day. Consequently almost the whole trade in opium is now in the hands of Chinese.

Temporary advance in price.

The diminution in amount was, to some extent, set off by an advance in price consequent upon the Government of India declaring their intention to put a much smaller number of chests of Bengal opium every month to auction at Calcutta during the latter part of 1892, and on news from Persia of failure of the opium crop there. This excited the local market somewhat in the last 4 months or 5 months of the year, and a large number of chests were imported till the stock became so great that it was found beyond the requirements of the port, and some opium had to be re-exported to other coast ports. Thus the agitation was soon over, and in the concluding part of the year the demand was limited and the market quiet.

Increased trade in native opium.

While the trade in foreign opium is thus progressively—if slowly—falling away, and coming more and more into native hands, that in the native drug is making a steady advance in the market. At a rough estimate 266,667 lbs. of native opium were consumed in the Amoy district last year. Native dealers believe that the consumption was even greater, as it is rendered much cheaper than the foreign drug, not only by lighter taxation, but by the prevalence of smuggling and other fraudulent practices. Poppy cultivation is being extended every year, and the quality produced is not much inferior to the Persian drug.

Piece-goods. Indian yarn.

There is little of special note to remark in piece-goods, imports being on an average only slightly higher than in 1891; but Indian yarn has again taken a stride forward of over 10 per cent., showing what a splendid field the depreciation of silver and uncertainty of exchange have taken from Lancashire and gifted to Bombay.

No doubt cheaper labour and closer proximity have contributed to the substitution of Bombay for Manchester yarn, but the latter was first in the field, and with so conservative a people as the Chinese this meant an immense advantage. The change is unquestionably due more to the action of importers who feared the risk thrown on them by the depreciation of silver, than to the direct competition of cheaper labour. I am informed that inquiries have several times been made for English yarns, but that in the present state of the market importers dare not keep them in stock.

Woollen goods.

Woollen goods show a considerable advance on 1891 in the quantities imported, but less than a proportionate increase in value, caused of course by the lower rate of exchange.

Metals.

In metals, iron and steel have declined while tin has increased from 887,215 lbs. to 1,027,636 lbs., and lead from 386,963 lbs. to 592,689 lbs. The demand for both these articles depends on the state of the tea trade, and the advance is, doubtless, due to the larger export of Amoy teas.

Foreign sundries.

Many of the fluctuations which have occurred in the importation of foreign sundries are accounted for by changes of an opposite kind to that of native produce. Thus less foreign coal but more native has been imported. Similarly there has been a very large increase in the importation of foreign raw cotton, and salt and dried fish, to meet the falling-off in the native articles.

Matches.

European matches have fallen to less than half the quantity imported in 1891, but have commanded better prices; while Japanese matches have advanced 101,416 gross, but are valued at a much lower proportionate rate than in the preceding year.

Import of rice insignificant.

The abundant local harvest and low prices have reduced the import of foreign rice to the perfectly insignificant figure of 132,800 lbs., valued at 373*l.*, against 4,900,692 lbs. in 1891 and 19,210,743 lbs. in 1890. The same causes have told on the import of native rice, which has fallen from 47,506,240 lbs. to 15,374,457 lbs., or less than one-third of its previous amount.

Kerosene oil. Volume of trade doubled.

The importation of kerosene oil has almost exactly doubled during the year. The total number of gallons being 2,364,900 gallons in 1892 against 1,181,920 gallons in 1891—an increase of 100·09 per cent. The oil imported during 1891 was entirely American; in 1892 several steamers laden with 469,870 gallons of Batoum oil, introduced a new element into the market.

Russian oil introduced.

Messrs. Jardine, Matheson and Co.'s new steamer, "Teksang," was the first to arrive with a cargo of Russian oil. With this increased supply, and the competition of a new variety, prices fell from over 2 dol. per case in January to under 1 dol. 60 c. per case in November.

Attempt to prohibit use of kerosene oil in Ting Chang Lung circuit.

Following the lead of the Foochow authorities an attempt has lately been made to throttle this rapidly expanding trade in the districts governed by the Chang-chou Taotai (Ting Chang Lung circuit), that is, in all the country south and west of Amoy up to the borders of Kiangsi and Kuangtung. I have been obliged to take immediate steps to prevent if possible this infringement of the Treaty, but I am informed that sales are still being interfered

with and that much of the large stock on hand is for the moment unsaleable. The pretext allowed for the prohibition of the use of kerosene oil is danger from fire, a pretext much less plausible in the stone and brick built towns of southern Fukien than in a timber built city like Foochow.

The real object in view is generally believed to be less the protection of the public, however, than the promotion of the interests of a small ring of privileged monopolists. Some idea of the enormous strides lately taken by this trade may be gathered from the following figures. In 1872 the import was 8,711 gallons, after which it fluctuated in an irregular manner for 8 or 9 years, falling in 1880 to the insignificant total of 1,720 gallons. In 1882 the importation reached 21,740 gallons; in 1887, 199,120 gallons; and in 1892 as above shown, 2,364,900 gallons; an increase in 5 years of over 1,000 per cent.

Rapid advance of kerosene oil trade in recent years.

Yet it is believed that the trade in this article is still in its infancy. In country districts remote from the main centres of population, a little saucer of vegetable oil, from which a small wick or strip of pith hangs down, and sheds a feeble glimmer over one corner of the room, is still almost the only illuminant known. The oil used in this miserable substitute for a lamp is some seven times dearer than kerosene, so that the foreign article has cheapness as well as efficiency to recommend it.

Among articles of native produce imported in Amoy, beancake and beans show an increase of 6,089,464 lbs. and 710,607 lbs. respectively. In the latter case the sterling value shows, however, a notable falling-off. Beancakes and beans form the chief cargo of the sailing ships and some of the steamers running between the north and south of China, and, as the former article is mainly used as a manure for sugar cane, it may be looked upon as a return for the large quantities of sugar exported from Amoy to Newchwang and other north China ports. Newchwang and Chefoo with their beancake feed the sugar which they themselves consume.

Native produce: Beancake and beans.

A comparison of the volume and value of the native imports will serve as a further illustration of the effects of the depreciation of silver. Except in a few instances, as for example samshu, the silver value has not materially changed, while the sterling value of almost every item will be seen from the table (Annex B) to be less than it was last year, although the amount of trade shows no sensible falling-off.

General decrease in sterling values.

Exports.

During the year 1892, goods to the value of 1,037,130*l.* left Amoy for foreign countries and 234,524*l.* for other Chinese ports, making a total export of 1,271,654*l.* But of this total 793,631*l.* represents the value of native re-exports, so that the actual exports of local origin only amount to 478,023*l.* As compared with 1891, all these amounts, as stated in sterling, show a certain falling off.

Total value of exports

exports to foreign countries having decreased 49,352*l.* and to Chinese ports 38,968*l.*, giving a total decrease of 88,320*l.* This decrease has taken place, however, almost entirely in goods of local origin, re-exports being valued at only 6,547*l.* less than in 1891.

Tea: satisfactory season.

Turning to particular articles of export I am informed that the tea season of 1892 has been a satisfactory one to exporters and producers alike. The reduced supplies of previous years, coupled with an improved consumption due to the steady increase of population in the United States (our chief consuming market), ensured a favourable reception for the shipments of our exporting merchants, while the low rates of freight and exchange that have prevailed enabled buyers to pay to the Chinese a "dollar cost" for their teas that was far from unremunerative to them as producers and middlemen. The quality of our tea crops also showed less of that deterioration of which I have had occasion to complain in previous reports, although perhaps not attaining the standard of the best days of the trade. The annexed table shows that the export of teas of local origin considerably exceeded that of the past 3 years, while the export of Formosa tea was only surpassed by that of last year (the largest export on record) by 531,624 lbs.

Description.	Quantity.			
	1892.	1891.	1890.	1889.
	Lbs.	Lbs.	Lbs.	Lbs.
Amoy teas	3,604,925	3,195,493	3,258,736	3,343,700
Formosa teas	19,743,795	20,275,419	15,087,967	17,992,524
Total	23,348,720	23,470,912	18,346,703	21,336,224

Downward course of tea trade checked.

These facts justify the assumption that the downward career of our local tea trade has received, at any rate, a temporary check, and it says something for the energy and perseverance of British merchants, who control the trade here, that this should be the case; although I am not so sanguine as to anticipate that a trade so cruelly burdened with likin, excessive export duties, and official prohibition of enlightened methods of cultivation and preparation, can permanently resist the competition of India, Ceylon, Java, and Japan.

The distribution of the tea exported and re-exported during the year is shown below; the re-export consisting of Formosa teas:—

Country.	Quantity.	
	Export.	Re-export.
	Lbs.	Lbs.
Great Britain	32,648	745,808
Hong-Kong	551,627	2,854,244
United States of America.. ..	2,200,376	14,598,281*
Straits Settlements	287,651	589,829
Java..	422,892	703,400
Siam	34,625	16,569
Philippine Islands..	35,779	..
Cochin China, &c.	5,340	7,848
Japan	13,264	173
Total to foreign countries ..	3,584,202	19,516,152
Chinese ports..	20,723	227,643
Total	3,604,925	19,743,795

* Including 62,721 lbs. Congou.

Of the above amounts 11,048 lbs. of the export consisted of Souchong, and 62,884 lbs. of the re-export of Congou. The rest was Oolong.

A comparison of this table with that published in last year's report shows that the total amount of Amoy and Formosa Oolongs sent from and through Amoy to the United States has increased to the extent of 1,510,925 lbs., out of which sum about two-thirds is due to increased export of Amoy Oolongs.

Satisfaction at the favourable state of the tea trade becomes somewhat modified when it is borne in mind that the low rate of exchange which has assisted merchants in their tea operations has been disastrous to them in other respects, and that the low rates of freight have been procured at the expense of British ship-owners.

Japanese competition.

Amoy's great competitor in the American tea-market is Japan, a country where intelligent methods of cultivation are encouraged and where likin does not exist and export duty is about half that of China. Consequently, we find that while the export of Amoy and Formosa Oolongs to the United States has, on the average, fallen off some 1,000,000 lbs. during the last 12 years, in spite of the enormously increased tea consumption, that from Japan has increased from 35,000,000 lbs. to 46,000,000 lbs. in the same period.

Evil results to be feared from decline of China tea trade.

It is impossible to share in the equanimity with which the gradual extinction of the China tea trade seems to be regarded in England. Not only is the outlook for British merchants and ship-owners engaged in the trade undoubtedly serious, but, unless money comes in for tea, the population of the tea-growing districts will be unable to afford foreign imported manufactures. For the English consumer the elimination of China tea means the sub-

stitution for a wholesome and invigorating beverage of one much less to be recommended.

Sugar: export to north China.

Sugar of all kinds shows a considerable decline during the year, both in amount and value. The total export amounted to 25,063,084 lbs., valued at 152,417*l.*, against 28,227,416 lbs., valued at 207,858*l.*, in 1891. Out of this total only 996,075 lbs. went to foreign countries, principally to Hong-Kong. Of the remaining 24,053,009 lbs. of Amoy sugar exported and 14,000 lbs. of imported sugar re-exported, nearly the whole was shipped to North China ports, 10,133,165 lbs. going to Newchwang alone.

Sundries.

Among other articles of exports, paper shows an increase in quantity but a diminished value, as likewise coarse chinaware, flower roots (chiefly narcissus, for which the Chang-chou district is famous throughout China), dried lichees, medicated samshu, and tobacco.

Transit Trade.

Increase of transit pass trade.

The number of inward transit passes granted has advanced from 712 to 1,245, largely in consequence of the increased import of kerosene oil. The outward transit passes numbered in all 326, of which 172 were granted to British merchants, against 284 and 124 in 1891. It has been represented to me from more than one-quarter that the fee of 4 dol. 50 c. charged by the British Government for stamping outward transit passes is excessive, as it tends to divert transit trade into the hands of other nationalities, whose Governments charge much lower fees, to the prejudice of the British merchants. The goods brought from the interior under transit pass are, principally, sugar of all kinds, hemp bags and sacking, iron pans, iron pan handles, red lead, lung-ngans, lichees, and other fruits. There have been during the year one or two instances where petty local officials have attempted to levy likin or other charges in defiance of transit pass privileges.

Stamp fee on outward passes excessive.

Nature of outward transit pass trade.

Emigration.

Decreased emigration to the Straits

As shown in the accompanying table, emigration in British vessels to the Straits Settlements has not been maintained at the abnormally high figure recorded last year.

Year.	Number of Vessels.	Passengers.			
		Men.	Women.	Children.	Total.
1892	99	37,218	1,498	1,595	40,311
1891	107	44,180	1,611	2,083	47,874
Decrease	8	6,962	113	488	7,563

General Remarks.

I am indebted to the kindness of Mr. T. F. Hughes, Commissioner of Customs, for early access to the returns upon which this report is based. I have also to thank several members of the mercantile community for some of the information which it contains.

The values throughout have been converted into sterling at the rate of 4*s.* 3¼*d.* to the Haikwan tael. **Exchange.**

The disturbances in the interior of Fukien noticed in my last year's report appear to have entirely subsided.

The health of the port has been good. Influenza was very prevalent in the early months of the year, and caused a considerable mortality among natives. **Health.**

The condition of the pilotage service has been felt to be most unsatisfactory, and an effort has been made to improve it but without any present results. **Pilotage.**

Annex A.—RETURN of all Shipping at the Port of Amoy during the Year 1892.

ENTERED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	37	17,296	747	714,155	784	731,451
Chinese	...	...	65	55,701	65	55,701
German	36	14,795	25	22,917	61	37,712
Japanese	...	...	19	17,704	19	17,704
Dutch	...	...	12	16,898	12	16,898
Spanish	...	...	14	9,156	14	9,156
American	6	4,225	...	...	6	4,225
Swedish and Norwegian	4	1,156	3	2,301	7	3,457
Danish	...	...	5	2,980	5	2,980
Total	83	37,472	890	841,812	973	879,284
,, for the year preceding ...	88	40,103	844	789,205	932	829,308

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	38	18,074	743	711,519	781	729,593
Chinese	...	...	64	54,638	64	54,638
German	32	12,914	26	24,031	58	36,945
Japanese	...	...	19	17,704	19	17,704
Dutch	...	...	12	16,897	12	16,897
Spanish	...	...	14	9,156	14	1,156
American	6	4,225	...	...	6	4,225
Swedish and Norwegian	4	1,156	3	2,301	7	3,457
Danish	...	...	5	2,980	5	2,980
Total	80	36,369	886	839,226	966	875,595
,, for the year preceding ...	93	42,278	842	787,626	935	829,904

Annex B.—Return of Principal Articles of Export from Amoy during the Years 1892-91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Bags, hemp	Pieces	729,483	5,054	619,686	4,975
Bamboos and bamboo wares	...	...	4,551	...	...
Beans	Lbs. avoir.	2,256,687	5,163	2,571,065	6,262
Bricks and tiles	Pieces	2,855,712	4,092	3,131,719	5,041
Chinaware, coarse	Lbs. avoir.	2,764,781	8,859	2,491,655	8,958
Fish, dry and salt	,,	294,801	2,714	225,368	2,033
Flower roots	Pieces	2,577,724	2,769	2,477,597	2,903
Gold leaf, real	Sheets	...	...	14,892,000	2,734
Grass cloth, fine	Lbs. avoir.	24,840	6,366	37,021	9,568
Hemp sacking	Pieces	280,400	4,522	287,700	5,055
Iron pans	Lbs. avoir.	853,025	5,567	916,081	6,603
Ironware	,,	324,111	3,441	...	...
Joss sticks	,,	207,896	4,326	123,196	2,704
Lichees, dried	,,	352,207	2,820	352,083	3,164
Lung-ngans	,,	1,920,200	17,712	1,132,252	9,298
Mats, straw	Pieces	84,500	2,707	...	...
Medicines	...	...	2,489	...	...
Oysters, dried	Lbs. avoir.	277,301	3,311	101,163	1,444
Paper	,,	6,498,379	60,884	6,198,160	89,564
Preserves	,,	774,701	11,148	712,955	11,007
Pumeloes, fresh	,,	1,652,345	2,827	2,201,703	4,226
Samshu, medicated	,,	793,984	11,217	682,744	11,247
Seeds	,,	327,263	3,620	...	...
Sugar—					
Brown	,,	12,466,053	47,838	13,672,505	59,052
White	,,	1,299,015	10,057	2,201,532	18,441
Candy	,,	11,298,016	94,522	12,353,379	130,365
Tea, black	,,	22,348,720	339,031	23,470,912	840,788
Tobacco	,,	1,191,544	26,045	958,845	28,965
Turnips	,,	898,399	2,877	...	...
Umbrellas, paper	Pieces	423,802	5,499	395,449	5,134
Vermicelli and macaroni	Lbs. avoir.	2,135,636	13,662	1,661,656	9,775
Wood, planks, tea	Boxes	530,127	9,063	508,529	7,511
Other exports	...	...	46,901	...	73,157
Total	...	...	1,271,654	...	1,359,974

RETURN of Principal Articles of Import to Amoy during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Opium—					
Malwa	Lbs. avoir.	21,740	16,438	35,733	28,793
Patna	,,	30,929	22,218	644	450
Benares	,,	427,171	283,613	625,067	431,605
Persian	,,	182,675	116,462	68,465	46,356
Cotton goods—					
Shirtings, grey, plain	Pieces	32,112	10,984	30,890	13,894
,, white	,,	59,445	31,797	59,303	42,624
,, dyed, plain	,,	5,688	2,427	5,095	2,932
,, figured, brocaded, &c.	,,	2,977	1,842	2,898	1,886
Turkey-red	,,	7,974	3,745	14,767	3,538
T-cloths	,,	67,021	19,762	64,161	21,789
Indian yarn	Lbs. avoir.	8,446,020	270,537	7,740,436	274,710
Other cotton goods	...	...	5,122	...	4,187
Canvas	Bolts	239	457	222	479
Woollen goods—					
English camlets	Pieces	3,798	8,110	3,060	7,353
Spanish stripes	,,	942	2,445	584	1,920
Italian cloths	,,	3,581	2,967	2,040	1,911
Metz cording	,,	1,110	3,145	807	2,178
Thread and yarn	Lbs. avoir.	48,935	4,577	50,432	5,872
Other woollen goods	...	...	4,947	...	4,979
Metals—					
Iron and steel	Lbs. avoir.	1,390,371	3,902	1,598,793	5,359
Tin (in slabs)	,,	1,027,636	44,905	887,215	39,310
Lead (in pigs)	,,	592,689	4,055	386,963	3,180
Quicksilver	,,	39,900	4,015	47,039	5,423
Other metals	...	...	4,121	...	1,973
Sundries: Foreign—					
Beef, dried	Lbs. avoir.	372,992	2,724	459,399	3,360
Bêche-de-mer	,,	967,912	23,275	724,035	20,802
Bird's nests	,,	7,261	10,261	6,168	12,944
Braids, llama	,,	20,357	2,769	17,483	2,668
Coal	Tons	4,572	5,858	5,240	8,189
Cotton, raw	Lbs. avoir.	1,068,704	16,299	799,475	13,664
Cuttle-fish	,,	182,549	4,428	97,579	2,763
Dyes, aniline	Tins	76,435	2,787	...	3,085
Fish, dried	Lbs. avoir.	1,286,887	12,488	1,914,745	22,843
,, salt	,,	2,300,619	19,594	...	...
Fans	Pieces	929,080	2,688	...	...
Flour, American	Lbs. avoir.	3,223,616	11,852	3,848,153	15,907
Ginseng	,,	25,569	32,936	20,128	22,315
Leather	,,	133,107	2,637	178,775	4,100
Lily flowers, dried	,,	252,876	3,275	...	...
Mangrove bark	,,	1,249,203	1,905	1,773,124	3,548
Matches, European	Gross	18,099	2,583	37,497	4,093
,, Japanese	,,	381,419	14,997	280,003	12,014
Mats, tea	Pieces	1,000,300	7,027	...	...
Medicines	Lbs. avoir.	364,355	4,788	...	...
Mussels	,,	563,128	5,912	347,749	4,304
Oil, kerosene, American	Gallons	1,895,030	41,048	1,181,920	29,675
,, Russian	,,	469,870	9,450	...	...
Prawns	Lbs. avoir.	1,775,749	27,856	1,795,705	35,517
Rice	,,	132,800	373	4,900,692	11,795
Shell-fish	,,	178,045	3,813	156,343	3,506
Silk goods, various	,,	11,960	7,592	...	...
Sinews, cow	,,	317,705	7,135	297,533	6,192
Wine	...	...	2,233	...	1,782
Other foreign sundries	...	...	57,699	...	42,727
Native produce—					
Beancakes	Lbs. avoir.	73,060,813	128,710	66,971,349	147,439
Beans	,,	83,499,068	203,744	82,788,461	216,522
Cloth, native	,,	33,885	2,162	32,569	2,211
Coal	Tons	4,827	4,123	3,227	3,093
Cotton, raw	Lbs. avoir.	1,870,025	45,274	3,424,727	90,402
Dates	,,	294,835	2,303	402,147	3,197
Fish, dried and salt	,,	275,915	2,567	2,202,927	19,124
Fungus	,,	99,628	3,862	141,220	6,466
Ginseng	,,	1,865	6,193	2,145	5,428
Hemp	,,	116,061	2,384	195,085	4,901
Lily flowers	,,	165,781	2,242	610,203	8,516
Mats, tea	Pieces	...	...	1,092,272	8,468
Medicines	...	...	4,929	...	9,045
Prawns	Lbs. avoir.	3,007,689	46,027	2,918,169	56,033

RETURN of Principal Articles of Import to Amoy during the Years 1892–91—continued.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Native produce—continued—					
Rice	Lbs. avoir.	15,374,457	47,558	47,506,240	117,790
Samshu	,,	905,477	7,687	493,607	7,522
Seeds	,,	3,032,237	17,300	631,418	5,221
Silk piece-goods...	,,	19,536	16,004	16,823	15,280
Vermicelli	,,	1,257,759	13,635	1,239,332	14,203
Wheat	,,	28,085,327	44,780	24,501,680	57,240
Other native produce	...	...	34,541	...	65,217
Total	...	...	1,857,100*	...	2,103,392

* Including 83,320*l.* excess of re-export over import in some articles.

Annex C.—TABLE showing the Total Value of all Articles Exported from Amoy and Imported to Amoy from and to Foreign Countries during the Years 1892-91.

Countries.	Exports.		Imports.	
	1892.	1891.	1892.	1891.
	£	£	£	£
Great Britain	28,214	41,739	21	..
Hong-Kong	132,050	200,250	1,087,524	1,067,781
Singapore and Straits ..	110,984	130,103	149,896	155,556
United States of America	636,472	563,806	30,919	38,525
Java	86,705	84,531	4,562	5,831
Philippine Islands ..	34,289	51,201	4,628	8,717
Japan	265	8	11,931	9,749
Siam	6,845	8,985	2,591	3,036
Cochin China, Tongking, and Annam ..	1,306	5,756	2,868	10,187
Russia (by sea).. ..	..	..	2,450	..
Continent of Europe (excluding Russia) ..	..	..	7	81
Australia	..	..	..	1,580
British America ..	..	3	..	..
Total	1,037,130	1,086,382	1,297,397	1,301,043

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REPORT FOR THE YEAR 1892

ON THE

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1106.	Macao	½d.
1107.	Canton	1d.
1108.	Paramaribo	1½d.
1109.	Tunis	1½d.
1110.	Sofia	3d.
1111.	Brunei	1½d.
1112.	Athens	2½d.
1113.	Alexandria	2d.
1114.	Vienna	1d.
1115.	Stettin	2½d.
1116.	Berne	1d.
1117.	Palermo	2½d.
1118.	Tokio	1½d.
1119.	St. Petersburg	3d.
1120.	Teneriffe	1d.
1121.	Damascus	1d.
1122.	Naples	2d.
1123.	Hakodate	1d.
1124.	Montevideo	2½d.
1125.	Stockholm	1½d.
1126.	Dantzig	2d.
1127.	The Hague	1½d.
1128.	Odessa	1d.
1129.	Berne	1½d.
1130.	Malaga	3d.
1131.	Rome	2½d.
1132.	St. Jago de Cuba	4½d.
1133.	Munich	1½d.
1134.	Meshed	1d.
1135.	Guayaquil	½d.
1136.	Rio de Janeiro	4½d.
1137.	Tonga	1d.
1138.	Copenhagen	1d.
1139.	Tangier	1½d.
1140.	Buenos Ayres	2½d.
1141.	Para	1d.
1142.	Baghdad and Bussorah	1½d.
1143.	Christiania	5½d.
1144.	Old Calabar	2d.
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1146.	Quito	1d.
1147.	Buenos Ayres	6d.
1148.	Bogotá	1d.
1149.	The Hague	2d.
1150.	Mexico	2½d.
1151.	Florence	2d.
1152.	Calais	1d.
1153.	Lorenzo Marques	1½d.
1154.	Patras	1d.
1155.	Taganrog	1d.
1156.	Stockholm	1d.
1157.	Washington	2d.
1158.	Paris	1½d.
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1160.	Santos	2½d.
1161.	Buenos Ayres	1½d.
1162.	Nantes	1d.
1163.	Beira	5d.
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1167.	Calais	2½d.
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1175.	Saigon	½d.
1176.	Baltimore	1½d.
1177.	Brest	1d.
1178.	Buenos Ayres	½d.
1179.	Adrianople	½d.
1180.	Algiers	2½d.
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No. 1197.

Reference to previous Report, Annual Series No. 1037.

CHINA.

PAKHOI.

Consul Scott to the Earl of Rosebery.

My Lord, *Pakhoi, March* 10, 1893.

I HAVE the honour to forward my Report on the Trade of Pakhoi for the year 1892.

I have, &c.
(Signed) B. C. GEORGE SCOTT.

Report on the Trade of Pakhoi for the Year 1892.

ABSTRACT of Contents.

	Page
Rate of exchange	1
Total value of trade	1
Shipping	2
Exports	3
Imports	4
Transit trade	7
Emigration	7
General remarks	7
Return of shipping	8
„ principal articles of export	9
„ „ import	9
„ total value of exports and imports	9

The heavy fall in the value of silver during the year makes it necessary, for the purpose of comparison with the year 1891, when the exchange was taken to be about 5*s.*, to reduce the values, as given in last year's Report, to a uniform rate of 4*s.* 4*d.*, which was about the average value of the Haikwan tael during the year. When this is done, the total value of the trade in silver being considerably in favour of 1892, as compared with 1891, it is seen that a very substantial increase in the sterling value of the trade, as compared with 1891, has taken place, in spite of a heavy decrease in some of the principal articles of import. Rate of exchange.

The total trade of Pakhoi in foreign bottoms was 973,632*l.*, against 892,174*l.* in 1891, an increase of 81,458*l.*, both exports and Total trade.

imports showing an advance, the figures being—exports, 238,195*l.*, against 176,157*l.*, an increase of 62,038*l.*; and imports, 735,437*l.*, against 716,017*l.*, an increase of 19,420*l.*

Shipping.

Serious decrease.

Although the total bulk and value of the goods exported and imported has been largely in excess of the year 1891, there has been a serious decrease in the number of vessels, as well as in the tonnage, actually finding employment in the trade. Reference to the table appended to this report (Annex A) shows that the number of vessels entered and cleared was 203, against 224 in 1891, and the onnage 44,865 tons, against 54,949 tons, a decrease of 21 in entries and clearances, and of 10,084 tons in tonnage. This

Cause of decrease; tonnage required.

falling-off is to be accounted for by the cessation of Chinese emigration to Deli in Sumatra, which ceased in the summer of 1891. The steamers engaged in this traffic neither imported nor exported any cargo, or to the extent of a few tons only. It may, therefore, be taken that the shipping requirements of the trade of Pakhoi, apart from emigration, are about 45,000 tons only.

Flags employed.

Five steamers only during the year have been engaged in the trade: two under the German flag, two under the Danish flag, and one Swedish and Norwegian vessel, which made one trip only.

No British shipping.

It has again to be recorded that the British flag has during the year been entirely absent from the port. No British vessel has now visited Pakhoi since the steamship "Soochow" cleared in February, 1890, and was wrecked on her voyage to Hong-Kong. The trade of the port is entirely to and from Hong-Kong, but it is carried in non-British bottoms. As has on former occasions been pointed out, the absence of the British flag from the trade of Pakhoi is almost, if not entirely, due to the want of British vessels of sufficiently small tonnage suited for the trade. There can also be little doubt that the expenses of running both German and Danish steamers are less than British vessels of the same size.

German shipping: decrease.

Shipping under the German flag has decreased very considerably, as might have been anticipated from the fact that the emigration steamers visiting Pakhoi in 1891 were all under the German flag. There is a decrease in the number of vessels entered and cleared of 40, and a decrease in tonnage of 28,382 tons.

Danish shipping: increase.

Danish shipping, on the contrary, shows an increase in vessels entered and cleared of 19, and of 7,865 tons, and it will in all probability in 1893 surpass German shipping in tonnage, as it does already in the number of vessels entered and cleared.

Charters and freights.

The charters obtained have at the last renewals considerably advanced. During the year competition has been so severe between the Chinese charterers that freights have been barely remunerative, but it is understood that an agreement to raise freights has now been concluded.

No foreigner has any interest in Pakhoi in the shipping trade; it, as is the case with practically the whole trade of the port, is in the hands of Chinese, who have the entire control of it. In Chinese hands.

Exports.

The total value of the export trade in 1892 has been the largest on record since Pakhoi was opened to trade under the Chefoo Convention in the year 1877, and, as compared with 1891, shows the very satisfactory increase of slightly more than 62,000*l.* With one or two exceptions the whole of the principal articles of native produce have participated in this advance, the exceptions being ground-nut oil and paper, in which the decrease is comparatively slight, and in tobacco leaf, in which it is more than two-thirds. Total value: increase.

The most remarkable developments are in star aniseed, and in the essential oils of aniseed and cassia. In the former the advance has been from 15,185*l.* in value to 35,579*l.*, or considerably over 100 per cent., and in the latter the export has more than trebled, reaching a value of 41,408*l.*, as against 13,074*l.* in 1891. Chinese traders, who alone have any knowledge of the trade in star aniseed and essential oils, assert that this extraordinary increase is due solely to increased production, and further state that every alternate year there is a large increase in the trade. This latter statement is, however, only partially verified by the customs returns for past years in the case of star aniseed, and not at all in that of the essential oils. I am, therefore, inclined to account for the great increase, in part at any rate, to a change of route, and to believe that whereas in past years these goods have been sent in native boats to Macao by the West River last year, possibly owing to increased taxation by that route, the trade has been diverted to Pakhoi. Star aniseed and essential oils: large increase.

The essential oils of aniseed and cassia are mainly destined for export to Europe, where the demand, stimulated no doubt by the heavy fall in silver, has greatly increased. Inquiries have been made by European firms with a view to purchasing the oils in Pakhoi, but the trade is entirely in the hands of the Macao merchants established here, who prefer to send them to Macao before sale to foreigners and shipment to Europe, and it seems improbable that they will ever be purchased at profitable rates, or indeed at all, in Pakhoi. Essential oil destined for Europe.

Of the other principal articles of export indigo, which is not destined for the European market, but is consumed mainly in China, shows a satisfactory increase of nearly 1,000,000 lbs. in quantity and 5,324*l.* in value. It is by far the most important export from Pakhoi, and has steadily increased during the last four years, the export for 1892 (Annex B) being the largest on record. Indigo.

Sugar also shows a fair increase in quantity and value, the former being 7,862,266 lbs., against 6,993,484 lbs. in 1891, and the latter 30,095*l.*, against 26,596*l.* Sugar.

Ground-nut cake.

Ground-nut cake has also advanced considerably. This commodity, which is the refuse of the ground-nuts after the oil has been extracted, pressed into cakes, is used chiefly as a fertiliser in China, for which purpose it is said to be admirably suited, and it is interesting to note that enquiries have been made from Europe with a view to its introduction for the same purpose. Its cost if purchased in Pakhoi, according to the value as stated in the customs returns, would be about 3*l.* 12*s.* per ton, which, with freight, &c., to Europe, even at the present low rates, would make its cost to lay down considerable.

Hides.

Hides, which are in a great measure destined for the foreign market, show a considerable proportionate increase from 933,589 lbs., valued at 10,726*l.*, to 1,146,133 lbs., valued at 16,150*l.*

Pigs.

The export of live pigs to Hong-Kong is becoming of more importance, and although Pakhoi can show nothing approaching the export from Hoihow at present, the trade seems to be on the increase. The number exported last year was 4,667, valued at 6,067*l.*, against 3,144, valued at 4,087*l.*, in 1891. It is doubtful whether the pigs of this district show such quality as those bred in Hainan, owing to the less care taken in their feeding. Here, as in most parts of China, they do a great deal of the scavengering of the district.

Other articles.

The remaining articles of export call for no special mention, their total value is about the same as in 1891, and such fluctuations as have taken place are unimportant.

Tin exported viâ Tongking.

It may be mentioned that Yünnan tin, which used formerly to occupy so important a position in the returns, still lingers on. In 1889 the value of the trade was 50,843*l.*, it sank in 1890 to 5,700*l.*, in 1891 there was a further fall to 2,874*l.*, and in 1892 2,129 lbs. only, valued at about 72*l.*, were exported. As has been pointed out in former reports the whole trade has been diverted to the Red River route through Tongking.

Imports.

Total value: increase.

The total value of the import trade for 1892 is 735,437*l.*, against 716,077*l.* in 1891, there has thus been an increase of 19,420*l.* But this increase has been achieved by the increased import of Indian cotton yarn only, all the other principal articles of import show a more or less serious decrease in quantity and value, except matches, kerosene oil, and flour.

Indian cotton yarns: increase in trade.

Cotton yarn has but partially recovered the very serious falling-off which occurred in the year 1891. In 1890 more than 14,000,000 lbs. were imported. In 1891 large quantities of yarn were sent up from Canton under transit pass to the districts supplied from Pakhoi. This at once showed itself in the Pakhoi trade, and the import for 1891 fell to 10,600,000 lbs. In 1892, the transit trade having practically ceased at Canton, the import of cotton yarn here increased again to over 12,700,000 lbs., the actual figures being 12,708,800 lbs., valued at 388,412*l.*, against

10,605,200 lbs., valued at 320,045*l.* in 1891, an increase of 2,103,600 lbs. in quantity and 68,367*l.* in value. It is this substantial increase in the cotton yarn trade which prevented a very serious decrease in the gross value of the import trade.

Cotton piece-goods: decrease progressive.

In cotton piece-goods there has been a decrease of no less than 19,194 pieces in quantity and 6,701*l.* in value. This, taken by itself, would be a serious decrease, but seeing that the import in 1889 was 322,207 pieces, in 1890 298,943 pieces, in 1891 249,193 pieces, and now in 1892 229,999 pieces only, the decrease has been progressive, and its significance of increased importance. There seems to be some probability that there is a distinct relation between the increase in cotton yarn and the decrease in piece-goods, and this is borne out in some measure by the fact that of the total decrease of 19,000 odd pieces. T-cloths account for no less than 14,927, while there is a light increase in shirtings of all kinds of some 500 pieces. In Turkey-reds there has been a serious decrease of 2,899 pieces as compared with the previous year, muslins also have declined.

T-cloths. Shirtings. Turkey-reds. Muslins.

Decrease attributed to change of route.

The trade in cotton piece-goods has never been large at Pakhoi, but the trade last year was more than usually unsatisfactory, a state of matters for which it is difficult to account. The trade is entirely in the hands of Chinese merchants, who attribute the decrease to a diversion of the trade with the consuming districts in Yünnan and Kweichow to the West River route viâ Canton, and the Red River route through Tongking viâ Mêngtsz. In the case of the latter the explanation is hardly borne out by the customs returns, but it is impossible to say how it may be in the case of the West River route.

Indian opium: decrease.

A serious fall in the Indian opium imported is also shown in the returns, but I cannot learn that there has been any marked decrease in its consumption other than what may be considered the natural decrease owing to the gradual, but not excessive, increase in the use of Yünnan opium; it is, however, quite impossible to determine what the decrease on this account really is.

Trade in former years: decrease progressive.

In the year 1888, the year after the coming into force of the additional article of the Chefoo Convention, the trade reached its maximum of 146,666 lbs. In the three succeeding years the import was 133,466 lbs., 131,333 lbs., and 121,569 lbs., and now, in the year under review, it has fallen to 93,245 lbs., a decrease from 1888 of 53,421 lbs., and as compared with 1891 of 28,324 lbs.

Imported by junk from Singapore.

The trade in 1888 was possibly in excess of the requirements of the comparatively small area supplied from Pakhoi, but it seems almost certain, indeed it is the only suggestion offered, that the decrease for the last three years, and especially in 1892, is to be accounted for by the direct importation of opium in junks from Singapore to the Island of Hainan, and from thence to ports other than Pakhoi in this district.

Woollen piece-goods: decrease.

In woollen piece-goods also a very serious decline has to be noted. In 1891 the returns showed a satisfactory increase over 1890 of some 12,000 pieces, the figures being, for 1891, 39,132 pieces and for 1890, 27,196 pieces. In 1892 the trade fell off to

23,622 pieces, a fall as compared with 1891 of no less than 15,510 pieces and was less by 3,574 pieces than in 1890. The whole value of the goods imported was but 40,905*l.* as against 63,075*l.* in 1891, a decrease of 22,170*l.* Every description of woollen piece-goods imported, with the single exception of crape lustres, has shared in this decrease. English camlets have fallen from 2,410 pieces to 1,907 pieces, lustrings, plain and figured, from 6,627 pieces to 4,021 pieces, long ells from 23,640 pieces to 14,567 pieces, and broad cloth from 3,039 pieces to 2,227 pieces. From Chinese sources it appears that the falling-off in the trade is attributed to the same causes as in the case of cotton piece-goods, but on no better grounds, so far as the route through Tongking is concerned. The demand in Yünnan and Kweichow is not large at the best of times, and probably has been affected by a variety of causes; it seems probable that the market may have been overstocked in 1891.

Value of trade Particulars of decrease.

Probable cause of decrease.

Of the other principal articles showing a decrease there has been a serious falling-off in raw cotton from 1,309,066 lbs. valued at 21,353*l.*, to 1,030,020 lbs. valued at 16,943*l.* The decrease is attributed to the dearness of cotton produced in China and India, and the consequent increased import by native craft of the cheaper Tongking product from Haiphong. Llama braid has also decreased from 46,988 gross in 1891 valued at 5,561*l.*, to 38,662 gross valued at 4,323*l.* in 1892.

Raw cotton: decrease.

Llama braid decrease.

The only principal articles of import which show an increase are matches, kerosene oil, and, to a slight extent, flour.

In matches, which are entirely of Japanese make, the increase, though the value of the trade is not great, is satisfactory. In 1891 the quantity imported was 226,825 gross of boxes, valued at 11,804*l.*; and the quantity rose in 1892 to 283,800 gross, valued at 14,446*l.* One noteworthy point about the match trade is that year by year for the last 10 years it has increased steadily without falling-off.

Matches: increase.

Kerosene oil: increase.

Kerosene oil again shows a large increase, which although it does not approach that of the year 1891, when the quantity as compared with 1890 was nearly three times as much, is still satisfactory. The quantity imported was 1,030,020 gallons in 1892 against 733,060 gallons in 1891, and the values 27,504*l.* and 20,747*l.* respectively, there has thus been an increase of 296,960 gallons in quantity and 6,757*l.* in value. The one remarkable point about the trade is the increase in Russian oil. In 1891 only 12,200 gallons, the first appearing on this market, were imported, and it was held that though the oil was slightly cheaper than American oil it was inferior and not suited to the market. This opinion has been completely upset by the trade in 1892. The quantity imported rose from 12,200 gallons, valued at about 384*l.*, to 209,700 gallons of the value of 5,013*l.*, or between one-fifth and one-sixth of the total value of the oil imported. It is clear, therefore, that there is a market for Russian oil here, the inferiority in quality being compensated for by its less cost. The retail price in Pakhoi for American oil just now is about 10 dol. cents or $3\frac{3}{10}d.$ higher than Russian oil for a case of 10 gallons.

Russian kerosene oil: large increase.

American flour shows an increase of rather over 100,000 lbs. in quantity, the total import having been 1,173,333 lbs. valued at 4,576*l.*, against 1,068,592 lbs. of the value of 4,183*l.* in 1891. Fine flour of this kind is a luxury, and the trade though it will probably increase is not likely to become important. American flour: increase.

Transit Trade.

The transit trade of the port which is confined to goods sent inland, no outward transit passes being applied for, shows a slight further development during 1892. It is still confined to matches and kerosene oil, no other goods whatever being sent to the inland markets under transit passes. The total value of the trade was 9,748*l.* against 9,124*l.* in 1891, and the number of passes taken out 231 as compared with 186 and 106 in 1891 and 1890 respectively. The whole of these passes were taken out by foreign merchants and the trade was carried on without interruption. It seemed possible during the first few months of the year, that an attempt would be made to forward piece-goods and cotton yarn to the interior under transit pass, but the idea was not carried out and there seems little probability that such a development will now take place, at any rate for the present. The trade in piece-goods and yarn is so completely in the hands of Chinese merchants, and they are so jealous of any interference on the part of foreigners, that their strenuous opposition, coupled with their necessarily superior knowledge of the inland markets, would probably render any attempt of the kind a failure. In addition to this there are other considerations connected with the inland taxation of certificated goods in this province which are notorious. Transit trade: increase. Total value. No extension probable.

Emigration.

The emigration of free labourers to Deli, in Sumatra, for the cultivation of tobacco, which began in 1890 and flourished till June, 1891, has not been resumed, and there appears no immediate prospect, owing to the depression in tobacco planting in Deli, that it will again be resorted to. Emigration not resumed.

General Remarks.

The past year has, on the whole, been a prosperous one for Pakhoi. The large increase in the export trade, from whatever cause arising, was satisfactory, and though the import trade shows a serious falling-off in certain commodities, the total value of 1891 was more than maintained. The Chinese merchants in whose hands the entire trade practically is, were satisfied with results, there were no failures during the year and the settlements made at the new year just past were satisfactory. The decrease in the A prosperous year on the whole.

shipping of the port is to be regretted, the more so as, owing to low charters and low freights, it is doubtful whether in spite of the increased trade and decreased tonnage the year was profitable either to the steamers or the Chinese charterers.

The districts supplied from Pakhoi, though gang robbery has been prevalent in some directions, have been free from serious troubles; the spring harvest was very good, and though it was rumoured that there was a serious failure in the autumn crop from want of rain in parts of Kwangtung and Kwanghsi, the trade of the district, it is asserted, was not affected thereby, nor was trade harassed by the imposition of higher inland duties; on the contrary, likin and the so-called "battery tax" on matches and kerosene oil were reduced.

The year was an unusually uneventful one, both for Chinese and foreigners, and was singularly devoid of incident, political, commercial, or social.

I am indebted to the courtesy of the Commissioners of Customs for access to the returns of trade prior to the publication.

Annex A.—Return of all Shipping at the Port of Pakhoi during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	...	...	...	...
Chinese, of foreign type	...	...	...	...	...	...
German	...	...	47	22,910	47	22,910
Danish	...	...	54	21,510	54	21,510
Swedish and Norwegian	...	...	1	445	1	445
Total	...	...	102	44,865	102	44,865
,, for the year preceding ..	...	...	112	54,949	112	54,949

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	...	...	...	...
Chinese, of foreign type	...	...	...	...	...	...
German	...	...	47	22,910	47	22,910
Danisn	...	...	53	21,155	53	21,155
Swedish and Norwegian	...	...	1	445	1	445
Total	...	...	101	44,510	101	44,510
,, for the year preceding ...	...	...	112	54,949	112	54,949

Annex B.—Return of Principal Articles of Export from Pakhoi during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Indigo	Lbs. ...	10,323,733	58,716	9,344,718	53,392
Sugar, brown and white	,, ..	7,862,266	30,095	6,993,484	26,596
Star aniseed	,, ...	1,722,000	35,579	775,710	15,185
Aniseed and cassia oils	,, ...	204,864	41,408	74,048	13,074
Ground-nut oil	,, ...	1,253,370	13,370	1,383,700	14,672
,, cake	,, ...	5,902,400	9,591	4,130,648	6,712
Hides, cow and buffalo	,, ...	1,146,133	16,150	933,589	10,726
Paper, second quality	,, ...	503,912	5,633	611,177	6,975
Pigs	Number ...	4,667	6,067	3,144	4,087
Tobacco leaf	Lbs. ...	224,604	1,113	538,454	3,505
Other articles	...	...	20,473	...	21,197
Total	...	...	238,195	...	176,157

Note.—Exchange: 1 Haikwan tael = 4*s.* 4*d.*

Return of Principal Articles of Import to Pakhoi during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Cotton yarn	Lbs. ...	12,708,800	388,412	10,605,200	320,045
,, piece-goods	Pieces ...	299,999	79,977	249,193	86,678
Opium	Lbs. ...	93,245	61,243	121,569	79,324
Woollen piece-goods	Pieces ...	23,622	40,905	39,132	63,075
Raw cotton	Lbs. ...	1,042,666	16,943	1,309,066	21,355
Matches	Gross ...	283,800	14,446	226,825	11,804
Kerosene oil	Gallons ...	1,030,020	27,504	733,060	20,747
Flour (American)	Lbs. ...	1,173,333	4,576	1,068,592	4,133
Llama braid	Gross ...	38,662	4,323	46,988	5,561
Other articles	...	...	97,108	...	103,245
Total	...	...	735,437	...	716,017

Note.—Exchange: 1 Haikwan tael = 4*s.* 4*d.*

Annex C.—Table showing the Total Value of all Articles Exported from and Imported to Pakhoi to and from Foreign Countries during the Years 1892–91.

Country.	Exports.		Imports.	
	1892.	1891.	1892.	1891.
	£	£	£	£
Great Britain (Hong-Kong) ..	238,069	175,838	732,471	707,810
Tongking	..	248	..	2 581
Total	238,069	176,086	732,471	710,391

Note.—Exchange: 1 Haikwan tael = 4*s.* 4*d.*

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ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1026.

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1082.	Frankfort	4d.
1083.	Hiogo	1½d.
1084.	Tokio	1½d.
1085.	Amsterdam	1d.
1086.	San Francisco	3d.
1087.	Bangkok	½d.
1088.	Söul	1½d.
1089.	Chiengmai	1d.
1090.	Copenhagen	½d.
1091.	New Caledonia	½d.
1092.	Bushire	2d.
1093.	Tamsui	1d.
1094.	Dunkirk	1d.
1095.	Port Said	1d.
1096.	Guatemala	½d.
1097.	Chungking	9d.
1098.	Nagasaki	1d.
1099.	Constantinople	2d.
1100.	Buenos Ayres	½d.
1101.	Shanghai	2d.
1102.	Jeddah	½d.
1103.	Chicago	3d.
1104.	Erzeroum	½d.
1105.	Loanda	3d.
1106.	Macao	½d.
1107.	Canton	1d.
1108.	Paramaribo	1½d.
1109.	Tunis	1½d.
1110.	Sofia	3d.
1111.	Brunei	1½d.
1112.	Athens	2½d.
1113.	Alexandria	2d.
1114.	Vienna	1d.
1115.	Stettin	2½d.
1116.	Berne	1d.
1117.	Palermo	2½d.
1118.	Tokio	1½d.
1119.	St. Petersburg	3d.
1120.	Teneriffe	1d.
1121.	Damascus	1d.
1122.	Naples	2d.
1123.	Hakodate	1d.
1124.	Montevideo	2½d.
1125.	Stockholm	1½d.
1126.	Dantzig	2d.
1127.	The Hague	1½d.
1128.	Odessa	1d.
1129.	Berne	1½d.
1130.	Malaga	3d.
1131.	Rome	2½d.
1132.	St. Jago de Cuba	4½d.
1133.	Munich	1½d.
1134.	Meshed	1d.
1135.	Guayaquil	½d.
1136.	Rio de Janeiro	4½d.
1137.	Tonga	1d.
1138.	Copenhagen	1d.
1139.	Tangier	1½d.
1140.	Buenos Ayres	2½d.
1141.	Para	1d.
1142.	Baghdad and Bussorah	1½d.
1143.	Christiania	5½d.
1144.	Old Calabar	2d.
1145.	Trieste	1½d.
1146.	Quito	1d.
1147.	Buenos Ayres	6d.
1148.	Bogotá	1d.
1149.	The Hague	2d.
1150.	Mexico	2½d.
1151.	Florence	2d.
1152.	Calais	1d.
1153.	Lorenzo Marques	1½d.
1154.	Patras	1d.
1155.	Taganrog	1d.
1156.	Stockholm	1d.
1157.	Washington	2d.
1158.	Paris	1½d.
1159.	Bengazi	1d.
1160.	Santos	2½d.
1161.	Buenos Ayres	1½d.
1162.	Nantes	1d.
1163.	Beira	5d.
1164.	Galveston	1½d.
1165.	Berlin	1d.
1166.	Bordeaux	2½d.
1167.	Calais	2½d.
1168.	The Hague	2d.
1169.	Athens	12d.
1170.	Galatz	1½d.
1171.	Guayaquil	1d.
1172.	Riga	2d.
1173.	Trebizond	1d.
1174.	Havre	2½d.
1175.	Saigon	½d.
1176.	Baltimore	1½d.
1177.	Brest	1d.
1178.	Buenos Ayres	½d.
1179.	Adrianople	½d.
1180.	Algiers	2½d.
1181.	Boston	1d.
1182	Marseilles	1½d.
1183.	Warsaw	1d.
1184.	Piræus	1½d.
1185.	Callao	1d.
1186.	Jerusalem	½d.
1187	Chefoo	1½d.
1188.	Munich	2d.
1189.	Resht	1d.
1190.	Batavia	1½d.
1191.	Batoum	1½d.
1192.	Tainan	1d.
1193.	Amoy	1d.
1194.	Zanzibar	4d.
1195.	Corunna	2d.
1196.	Algiers	15½d.
1197.	Pakhoi	1d.
1198.	Nice	1½d

No. 1199.

Reference to previous Report, Annual Series No. 1026.

CHINA.

KIUNGCHOW.

Acting-Consul Fraser to the Earl of Rosebery.

My Lord, *Kiungchow, March* 22, 1893.

I HAVE the honour to enclose my Trade Report for the year 1892, with the usual Annexes on Shipping, Imports, and Exports.

I have, &c.

(Signed) M. F. A. FRASER.

Report on the Trade and Commerce of Kiungchow for the Year 1892.

ABSTRACT of Contents.

	PAGE
General progress of trade	1
Trade through Hong-Kong	2
Imports	2
Exports	4
Co-operation of Imperial Maritime Customs with Likin Office	6
Various extra tax offices	6
Extra taxes for foreign and native goods	6
Native merchant tax-farmers	7
Inland taxation	7
Freights	7
Emigration	8
Navigation	11
Local improvements	12
Annex A.—Return of shipping	13
„ B.—Principal articles of import	14
„ C.— „ export	15
„ D.—Total value of exports and imports	16

General Progress.

The aggregate volume of the trade in imports and exports (not including a considerable junk-carried trade, of which we have no satisfactory statistics), although not up to the average General progress of trade.

of the last 10 years, exceeded that of either of the two immediately preceding 1892 by some 4,500*l.** As compared with 1891 the direct exports to the Straits Settlements, French Indo-China and Siam, although still insignificant, were doubled.

Trade through Hong-Kong.

The trade with the neighbouring colony of Hong-Kong increased. A decrease in imports of native goods from thence, 8,000*l.*, was balanced by an increase of 8,000*l.* in our imports of foreign goods. As regards our exports to Hong-Kong, the increase of nearly 40,000*l.* in our exports thither, destined for shipment abroad, more than balanced the diminution (about 26,500*l.*) in our exports thither of products of Hainan to be carried to other ports in China for native use. As for our direct trade with Chinese ports, there is only one, Pakhoi, and our exports thither were only 3,400*l.*, half of what they were in 1891. Taking our exports all round they increased, however, 12,000*l.* Our indirect exports to foreign countries viâ Hong-Kong doubled. The aggregate value of our trade with Hong-Kong increased nearly 13,000*l.*

Imports. Opium.

The import of opium passing through the Imperial Maritime Customs here was only about the value of 18,000*l.*, half of what it was in 1891. The revenue derived from that source and accounted for to the Central Government at Peking, seems to have been declining rapidly since the introduction of the new system by which the Imperial Maritime Customs collects 80 taels per chest as likin, in addition to the old 30 taels per chest as import duty. From 1883 to 1886 the import duty collected here from opium by the Commissioner of Customs increased 8,000 taels or 9,000 taels (ounces of silver) a year, until from 26,000 taels it had grown to 57,000 taels. It has since continued to diminish at the same rate, until in 1891 the revenue collected under the heads of "Import Duty" and "Likin" together showed considerably under what was collected in 1886, although in 1886 there was still collected only 30 taels a chest, instead of 110 taels. Last year there was only collected 22,000 taels, less than half of the 46,000 taels of 1891.

Reason for apparent decrease of opium.

Opium from Macao.

There is still, however, Indian opium imported here which has paid duty to the Imperial Maritime Customs at another port —Macao. The Commissioner in charge of its branch at Lappa, near Macao, established in 1887 in accordance with the treaty of 1886 between Portugal and China, reports in the "Customs Gazette" the following imports of opium there, all Patna, destined to be shipped for Kiungchow Fu (*i.e.*, Hainan) in junks: 65 piculs, 31 catties, equivalent to 8,508 lbs. avoirdupois, which gives nearly one-third to be added to the quantity of Patna stated in the annexed return of imports. For the first four years the Patna opium destined for Hainan taken cognisance of by

* The nominal money of account, the tael, or ounce of silver, in which the customs returns are made up, averaged 4*s.* 3*d.* in 1892, and at this rate all figures in the annexed tables have been reduced to sterling. The tael is a Mexican dollar and a half. Our trade for 1892 exceeded that of 1891 by 21,000 taels, or nearly 32,000 Mexican dollars.

the Commissioner at Lappa, averaged 86 piculs; and if in 1892 it was only 65 piculs it was probably because in 1891 it had reached the high figure of 106 piculs.

Opium from Singapore.

It is known also that foreign opium is imported by junk from Singapore in considerable quantities into ports on our island, which are not open by treaty to foreign trade. Some native opium also must find its way over from Pakhoi, where a great deal is smoked. It would appear, therefore, not that the Hainanese people get through less opium than they used to, but that the Government of the island likes to have the collection of the likin, from obvious reasons, in its own hands, and is, therefore, by holding out facilities to junks, encouraging the importation of opium on terms lighter than those allowed when steamers are in question by the inexorable rules of the Imperial Maritime Customs with its European inspectorate and staff.

Indian yarn, American kerosene oil, and Japanese matches, increase.

The imports, in spite of the apparent falling off in Indian opium, show a serious and satisfactory growth most conspicuous in Indian yarn, kerosene oil, and matches, of which there were imported in 1892 more than in the preceding year, to the value of 10,000*l.*, 9,000*l.*, and 1,500*l.* respectively. The following table shows the rapid and steady increase in the import of these goods:—

Year.	Oil, American and Russian.	Cotton Yarn, Indian.	Matches, Japanese.
	Gallons.	Piculs.*	Gross.
1883	9,880	10,968	5,157
1884	22,080	13,932	6,407
1885	23,010	14,093	8,033
1886	26,900	14,936	10,892
1887	23,830	16,851	17,070
1888	60,390	15,293	38,284
1889	231,390	12,120	49,160
1890	491,540	17,750	79,359
1891	260,690	17,184	134,141
1892	558,890	20,008	178,620

* Piculs, or native cwts., of 133⅓ lbs. each.

The Russian kerosene oil forms so small a proportion, however, as to be hardly worth mentioning, less than one-thirtieth of the 558,890 gallons.

Yarn.

The Indian yarn comes in bales of 400 lbs. net, worth about 75 dol. per bale. It is estimated that the value imported into all China is now 5,000,000*l.* a year. There are no manufactories here yet, and it is all made into cloth by hand in the cottages of the peasantry by the women.

Matches. Rivalry in Tonkin.

On October 11, 1892, a great match manufactory, established with French capital (Fabrique d'Allumettes d'Hanoi), which had begun to send out its boxes in May, was opened with a brilliant ceremony, at which the Governor-General of French Indo-China

and other notabilities were present by invitation. This enterprise has the latest improvements in machinery from Paris, and employs 200 Annamese women workers, trained by the French engineer, M. Courtois, who set up the plant. This is confidently looked forward to by the French colonists as likely to compete favourably with the Japanese match factories. To give the new matches a start they were protected by the imposition of an import duty of 18 dol. a case on Japanese matches imported into Hanoi. At the present rate of progress it will be long before this new manufacture finds its way to the markets of China, although the matches, of which I have seen samples, are excellent.

Cottons, woollens, no increase.

The cotton piece-goods import remains about stationary, at under 25,000*l.* worth, and the woollen goods import at about a quarter of that. The import of foreign goods, whose names are not particularised in the annexed table, remains at a little over 35,000*l.*

Rice.

The value of imports from outside China was lessened by 3,300*l.* as compared with 1891, for 614 tons less rice was imported from abroad. This indicates bountiful harvests in 1892. This port and Hainan in general are not visited with the extremes of heat and cold which sometimes afflict our near neighbours and are so injurious to agriculture. During the winter just over, when Hong-Kong, Swatow, Pakhoi, and other tropical places near were in ice and snow, the thermometer here (Fahrenheit) only went down to 37 degrees, which is for Hainan an unprecedented cold. It is said, however, that the severity of the cold did mischief here also. The sweet-potatoe fields presented a remarkable appearance, with their graceful leaves blackened as if fire had passed over them. The sugar-cane both here and on the mainland is said to have suffered. In Tonkin, just before the autumn rice harvest, severe cold and rain spoiled a large portion. One-third was lost, and Chinese speculators are said to have lost no time in buying up and shipping to Hong-Kong, Hainan, and Pakhoi all the available stocks at Nandinh, the great rice centre.

Severe winter.

Flour.

The import of foreign flour from America (Pacific coast) seems to be increasing, as also that of aniline dyes from Germany.

Exports. Sugar.

The sugar export was smaller than the last year's, but dealers realised good profits. The following table shows the export of sugar for the years 1883 to 1892 in steamers, not including what was shipped in junks:—

Years.	Brown Sugar.	White Sugar.
	Piculs.*	Piculs.
1883..	106,062	36,284
1884..	137,719	67,088
1885	121,667	44,443
1886..	104,041	29,958
1887..	110,198	20,616
1888..	76,902	10,389
1889..	91,581	22,830
1890..	64,127	9,757
1891..	83,958	7,350
1892..	80,529	7,265

* Piculs, or native cwts., of 133⅓ lbs. each.

Of the sugar which appears in this table a very small proportion was grown in the island of Hainan. Nearly all was brought over in junks from Haian, on the mainland, a place also under the jurisdiction of the Taotai who is Governor of the island.

Eggs. Eggs were exported to Hong-Kong to the amazing number of 13,714,800, a great advance on the previous year's 9,326,400. Some were hen's eggs, some were duck's eggs.

Fowls. The export of poultry, like that of eggs, is going ahead at an astonishing rate, 322,623 fowls having been shipped to the colony as against 111,416 in 1891.

Galangal. Galangal is interesting as being the only thing, except a little sugar, brought down from the interior by foreigners under the transit pass system. Practically, the whole of the galangal exported is brought down under transit passes.

Pigs. The pig export trade is flourishing and increasing greatly. The competition on the part of Tonkin to supply Hong-Kong with pigs is as yet trifling. Foreigners have as yet taken no part in it at Hoihow.

Herton and Co.'s claim paid. The long pending claim of the British firm of Herton and Company, put forward in 1888, for compensation for losses caused by the unlawful seizure that year, by the Likin Office, of pigs which the firm were shipping for exportation under a duty-free permit, was not paid by the Taotai until October 1, 1892, the day when the Central Government tax of 5 per cent. ad valorem export duty came in force.

The Taotai, in paying the claim, stated that he had been forced to take the step which he took in 1888 by the danger of the trade passing into the hands of foreigners, who have, by treaty, only the Imperial Customs to settle with, and not the provincial Likin Tax Office.

The Taotai declared that at the time of the seizure it was, indeed, impossible to act otherwise than he acted; the Imperial Maritime Customs had at that time not begun to levy duty on pigs, and to seize and confiscate the first shipment was, under the circumstances, the only way to protect the pig likin revenue from the loss with which it was threatened. This revenue (a con-

siderable one as the export of pigs has now risen to 47,000 head a year) was jeopardised by the exceptional position in which foreigners (or Chinese who might possibly start a trade under a foreign name) were placed by the Imperial Maritime Customs forbearing to collect duty at all.

Co-operation of Imperial Customs with provincial Likin Office as regards pigs.

To avert this danger to the provincial revenue (so the Taotai's recent proclamation informs us), the Imperial Maritime Customs, which had at last been consulted, had imposed a duty of 5 per cent. ad valorem, double of the likin duty. On October 29 appeared a notice that if an exporter of pigs produced a likin receipt no duty would be charged on them by the Imperial Maritime Customs, but if he did not produce a likin receipt 5 per cent. ad valorem would be charged on his shipment.

Foreign merchants now consider themselves at a grave disadvantage as compared with Chinese. It is true that theoretically they have, equally with the Chinese, the right to elect which tax they shall pay, and might, as the Chinese do, choose the lesser tax, the likin; for, by this novel arrangement, the Imperial Customs accepts, in lieu of the duty leviable by treaty, the receipts for duty levied by the likin customs. But the foreign merchant is chary of dealing with a tax-office managed entirely by natives, the intricacies of whose methods he despairs of understanding, and in transacting business with which he feels that he cannot compete with Chinese who know the difficult ins and outs of native ways, and have mastered the many curious technicalities connected with native tax-offices and their procedure.

Objections to new system.

It seems a pity that as the Imperial Maritime Customs has gone so far it does not go a step farther, and that it does not, instead of holding out in terrorem a 5 per cent. duty from which it derives not a cent of revenue, levy, itself, from all alike either this 5 per cent. or the amount of the present likin and hand it over to the Taotai. If the foreigner's fears about paying the likin tax direct to the Likin Office are groundless, it is hard to see what objection the Taotai could express to the Imperial Maritime Customs collecting the revenue instead of merely seeing that the Likin Office vouch for having collected it.

In this connection I may mention that besides the Imperial Maritime Customs, which collects for the Central Government duties on all goods carried otherwise than in native junks, there are also here established no less than five provincial or local collectorates:—

Various extra tax offices.

1. The Chang-kwan, or Native Customs, which collects duties on junk-borne merchandise and goods in general not imported by steamer;
2. The Lo-ti, Prefectural, or growers' tax;
3. The Pig Likin Office;
4. The Hai-fang, or Maritime Defence Likin;
5. The Tai-p'ao, or Fort and Cannon Likin.

Extra taxes for foreign and native goods.

Exports, as sugar, and imports, as woollen and cotton goods, yarn, raw cotton, kerosene oil, lead, and flour, are all taxed by these offices in the port, so that the Treaty Tariff is undesignedly deceptive as regards such goods.

The Hai-fang was introduced in 1866. In 1874 the Taotai handed over the responsibility of collecting this tax to the Associated Native Chambers of Commerce of the Canton, Swatow, and Hainan merchants here. These farmed the collection, being bound to hand over to the Taotai 5,000 taels a year. In 1880 a new Taotai raised it to 7,000 taels, but in 1892 it was reduced to 5,300 taels. Even such things as cocoanut-shells, pigs' bones, and buckets are taxed by the vigilant collectors, whose list embraces nearly 90 articles, nearly everything likely to be dealt in, but expressly warns dealers that things are not exempt merely because not mentioned. Native merchant tax farmers.

The Fort and Cannon Tax was started in 1890 to raise 6,000 dol. a year to help pay for the fine new fort just completed at Tui-ing (or Shui-ying in metropolitan Chinese), 3 miles from here, a fort armed with three 20-ton and two 12-ton Krupp guns. This tax is also farmed out to merchants, *i.e.*, the representatives of the native guilds of Canton, Swatow, Amoy, Hainan, and Kochow, an important trading place on the mainland.

Collection by these Chinese tax offices has a number of curious technicalities connected with it. For instance, rebates allowed when duly claimed; extra fees for wastage, porterage, and various attendant expenses, such as stationery; variety of scales for weighing silver, the taxes being paid on the tael, or weight, system. As an example take sugar from Cheng-mai, Lin-Kao, or Tam-chow. If white sugar, the native merchant is directed to pay as Lo-ti, or Prefectural Tax, on white sugar, 7·4·7 taels per 100 bales; on brown sugar, 5·1 taels per 100 bales, as "inside Lo-ti"; and 870 copper cash for every 100 bales as "outer Lo-ti." But the taels are reckoned in a peculiar fashion; for every 2·3 taels he must pay 2·4·1·5 taels. Or, again, he may have to pay 6·8·0·4 taels on 100 bales of goods but must be careful to count the Mexican dollars in which he pays at seventy-hundredths of a tael each. Inland taxation. Curious details.

It is no wonder that the foreigner is shy of dealing with tax-offices which would make him work out such sums in decimals, and prefers the simplicity of the Treaty Tariff.

Freights.

The following information about freights from Hoihow to Hong-Kong in 1892 was obtained principally from Chinese merchants. Although British steamers paid about 22 per cent. of the total tonnage dues and were profitably employed in the passenger trade, they took none of these freights, which went to the little coasters chartered by Chinese, run under the German and Danish flags, and commanded and officered by Germans and Danes. Freights.

Description.		From Hoihow to Hong-Kong, Average Freights during 1892.	
		From—	To—
		Cents.	Dol. c.
Live pigs	Per head	20	0 80
Sugar	„ bag	3	0 12
Hides	„ picul (133⅓ lbs.)	18	0 50
Ground-nut cake	„ „ „	3	0 9
Galangal	„ „ „	10	0 25
Sesamum seeds	„ „ „	5	0 15
Fowls	„ coop	40	1 20
Native medicines	„ picul	8	0 30
Cow-hide glue	„ „	15	0 50
Fish lines (of wild silk) ..	„ „	60	2 00
Ai-feu (Artemisia)	„ „	50	1 80
Duck's and hen's eggs ..	Per basket of 600 eggs	8	0 30

Hainan "camphor."

The artemisia plant, or mugwort, makes punk used for cauterising. The moxa (a word which is apparently derived from the Japanese moe-gusa, "burning herb." Mixed with castor-oil the moxa-punk makes red ink paste for seals. Ai-fên, artemisia powder, is a kind of camphor, said to be distilled from the leaves. It is used as medicine.

Emigration.

Emigration.

The emigrants who go from China are for the most part temporary not permanent emigrants. In 1892 there left Hainan for Singapore in European direct steamers 5,172 men, and for Bangkok 1,538 men. Of these 6,710 men, 4,981 left in British vessels, the rest in German and Dutch. This passenger trade between Hainan and the southern countries, a thing of only 9 years' growth, promises considerable expansion. The following table shows the proportions taken in it by British and non-British steamers respectively in 1892, which was a poor year compared with any of the three preceding ones :—

British ships most employed.

Annex 1.—Statistics of Emigration, or Chinese Passenger Carrying Trade from Hainan outwards.

Flag.	Number of Steamers Employed.	Number of Departures Made.	Number of Passengers (men) Carried to Singapore, Penang, and Bangkok.
British	5	13	4,981
German	4	4	1,436
Dutch	1	1	290
Total	10	18	6,707

Annex 2.—Statistics of Passengers back to Hainan from Singapore, Penang, and Bangkok.

Flag.	Number of Steamers Employed.	Number of Arrivals Made.	Number of Passengers (men) Carried.
British	8	14	4,126
German	1	2	318
Dutch	1	1	168
Total	10	17	4,612

Thus in all, going and coming, 13 different British steamers, averaging 1,000 tons each, carried Chinese passengers, making amongst them 27 voyages, as against five different German steamers of smaller size, making between them six voyages, and two Dutch steamers, making a journey each. Only 2,095 more Chinamen went direct during the year than came back direct.

Permanent, or temporary, emigrants?

Those who came in steamers from Hong-Kong to Hoihow were 7,720, and those who went from here to Hong-Kong were only 3,970, or half of that. One may assume that part of the excess of arrivals from that colony over the departures thither, consisted of Hainan temporary emigrants returning that way from the Straits and Siam. This observation has been made in former trade reports, and seems borne out by the figures of the much greater passenger movement on the same lines which radiates from the important emigration centres—Amoy and Swatow; for whereas from Amoy during the 18 years, 1875 to 1892, Chinamen have emigrated to the Straits Settlements at the average rate of nearly 30,000 a year; they have been returning in direct steamers alone at an average rate of 18,000 a year, or three-fifths of the so-called emigrants; while at Amoy, also, as at Hoihow, taking the average year, the number of Chinese passengers arriving from Hong-Kong has annually exceeded the number going to Hong-Kong by about 2,000. Hence it would appear as if two-thirds of the yearly 30,000 from Amoy found their way back thither.

Arguments from Amoy emigration.

From Swatow emigration.

From Swatow Chinese passengers have been proceeding to the Straits in European vessels also at an average rate of about 30,000 a year; and in addition, between 5,000 and 6,000 a year to Bangkok. Although those who have returned direct have been very few—about 1,000 a year from both countries (Malay Peninsula and Siam)—yet if we reckon in the enormous excess of arrivals in Swatow from the colony of Hong-Kong (only a day's journey from Swatow), over the departures in the reverse direction, it would appear that some two-thirds of the emigrants find their way back to Swatow also.

From Hong-Kong emigration.

Here I may mention that during the 7 years, 1885–1891, the aggregate number of Chinese leaving the colony for ports other than those of China and Japan, was 436,208; while in those same 7 years 666,313 came to Hong-Kong from ports other than those

of China and Japan. But these ports include Australian ports, Mauritius, Vancouver, San Francisco, and Deli in the Dutch East Indies, and not only the Straits Settlements and Siam. At this rate it will take a longer time than is generally believed to overcrowd the southern countries of Asia with Chinese.

Fewness of women emigrants.

The number of women and children, especially female children, taken with these emigrants is so disproportionate, considering that every man who leaves has probably a wife and a child or two, that it would seem likely, looking to that consideration alone, that the men who go are not going to stay and found homes abroad. Amongst nearly 8,000 passengers (counting those from Amoy and Swatow already on board when the emigration steamers called in here, as mostly occurs, to complete their loading), there were less than 100 women, about a quarter of that number of female and about 350 male children.

Why emigrants return.

"Ancestral worship."

The Chinaman, who seems to us to set such small store by comfort or the graces of life, looks forward to the time when his body will repose in an expensive tomb, to which his posterity for long generations will piously bring offerings of paper money, food, and native wine, for his manes to enjoy. He wishes also to perform the same filial duty towards his own forefathers. For these reasons principally he will return to old China if he can, alive or dead. Many a man embarks to return when he feels that his earthly life draws near its close; and if it is too late, and he dies en route, the other passengers will often subscribe for a native testimonial—a Chinese inscription on a gay banner—to honour the captain who will take the trouble to bring the body to China for burial instead of committing it to the deep.

New emigration to Africa.

New fields for Chinese labour have lately been opened in Africa, both East and West. It was lately reported by a newspaper that there were 500 employed on the Congo Railway in the west. As regards the East Coast, on August 10 appeared in the "Berliner Tageblatt" and "Handels-Zeitung" an interesting letter, a translation of which made by me into English appeared in the "Hong-Kong Daily Press" of October 29. It appears from this that on July 25 the British steamer "Flintshire," chartered to convey Chinese labourers for the German East African Company and the German Plantation Company, brought to Bagamoyo direct from Singapore 240 Chinamen, 243 Javanese men, and 25 Javanese women. It is intended to employ these men in the cultivation of tobacco, cotton, coffee, cocoa, vanilla, rice, indigo, and perhaps opium. Chinese may also find employment, it is expected, as house servants, boatmen, smiths, market gardeners, washermen, and cooks, and also as policemen for harbour, toll, or custom-house, or plantation purposes.

German authorities and emigrants in Africa.

The regulations promulgated by Governor Baron von Soden, to come in force on May 1, 1892, restrict the landing of Eastern Asiatic labourers to the ports of Dar-es-Salaam, Bagamoyo, Tanga, Pangani, Kilwa, and Lindi. Provision is made by regulations, which it is to be hoped will be stringently enforced, to ensure that they are voluntary emigrants; that they shall be

properly treated, and that they shall be sent home at the expiry of their contracts. "These regulations," says the "Daily Press," in an editorial article, "must in the main command general approval; and it is gratifying to find the German Government exhibiting such solicitude for the proper treatment of the Asiatic emigrants in the East African Territory."

Emigration from Macao to Africa.

In September a steamer also took coolies from Macao for Africa; and a letter was received here from a person in Hong-Kong, enquiring about the prospects of reviving the Chinese emigration to Cuba and Peru. It is to be hoped that, with greater knowledge of and interest in the condition of the Chinese abroad, which the Chinese Government has lately evinced, and the patriotic zeal or national pride which its representatives in foreign countries have of late shown so conspicuously, that the strictest possible measures will be taken to prevent the ill-treatment of the emigrants in these and other far-away corners of the world and on the way thither.

Talk of Cuba and Peru again.

Protection required for emigrants.

Navigation.

Navigation.

About the end of 1885 certain native merchants petitioned the Taotai of Hainan to be allowed to run a steamer on the Hainan Coast to Tamchow, Aichow, &c. This steamer was to carry passengers and cargo, and also to work in putting down piracy. The scheme did not receive official approval. Again, in the spring of 1888, an attempt was made to start a small steamer between Hoihow and Haian, on the opposite side of the Strait, a great sugar export depôt. This also fell through, the Chinese owners not being able to make it pay. In June, 1892, a Singapore Chinaman was at Hoihow, enquiring about the chance of a company of his friends being allowed to run a steamer from Singapore to an unopened port in Hainan called Mun-Shio, Men-Cheong, or Wen-Ch'ang. There is not much chance of a steamer being allowed to run to a port where there is no branch of the Imperial Maritime Customs.

Opposition to running steamers.

Casualties of year.

The only casualty here in 1892 was a slight one to a British steamer, "Avochie," which temporarily grounded in a fog at Hainan Bay, west of Hainan Head, the northernmost point of the island. The first announcement was by the chief officer, who came for a boat to bring nine Chinese passengers (coolies) from the ship. This was easily done. The vessel was bound from Hongay, French Indo-China, to Hong-Kong with coals. An opinion was expressed at the time that if South Channel had been properly buoyed (as it has since been), the ship need not have gone to Hainan Bay to anchor on the night before, and the casualty need not have occurred. It happened on March 22. Since then the steamer has been doing three voyages a month in the same trade without accident.

Buoys in Hainan Strait.

The year 1892 is memorable from the establishment of the long wished for aids to the safe navigation of the Hainan Strait

in the shape of buoys. During November the Chinese revenue cruisers "Kaipan" and "Pingching" visited the port, with Mr. Bisbee, coast inspector under the Imperial Maritime Customs, and, after a survey, laid down four buoys, named as follows :—

1. Middle Channel Buoy, marking fairway of east entrance to Middle Channel, Hainan Strait.

2. Magpie Rock Buoy, east of the rock and nearly 2 miles south-east of Hainan Point, to be left on the port side by vessels entering the strait from the eastward.

3. Hainan Head Bank Buoy, to be left on the starboard side by vessels coming through from the eastward.

4. Hainan Reef Buoy, to be left on the port hand by vessels entering the strait from the eastward.

Another buoy in the harbour would be useful to indicate to vessels how near they could safely come without risk of grounding or bumping.

Lighthouse for Cape Cami.

A lighthouse is to be built forthwith on Cape Cami, the site for which has been already measured out and appropriated.

The position of these buoys and lighthouse was not decided on until after a great number of opinions of experienced ship-masters had been collected and compared. It is generally agreed that they will be most useful, and it is hoped that now the long series of casualties is closed. I have lately heard opinions on this subject from various experienced navigators, both of Her Majesty's navy and of the coasting and ocean-going steamers. From these gentlemen come opinions of the advisability of building light-houses on Hainan Head and on one of the Taya Islands, which lie to the east and a little south. So many additional facilities for ships, it is on the other hand objected, will lead to longer hours of work for a profession which has already at least its full share of exertion; but perhaps before all these proposals become accomplished facts, coasting vessels will carry the additional mate whom the Mercantile Marine Officers' Association consider so necessary for the welfare both of the ships and of those who navigate them.

Further aids to navigation wanted.

Local Improvements.

Street lighting.

The improved lighting following the introduction of kerosene oil is a marked reform. The main street of Hoihow, with its fine Cantonese shops, presents, for a Chinese thoroughfare, quite a clean and cheerful appearance in the evening, sufficiently, if not brightly, lighted by many kerosene lamps, each protected from wind and flying insects by a glass lantern.

Telephone.

The telephone was introduced in 1892. An English telephone apparatus was bought in Hong-Kong through the agency of a local European merchant, and connects the telegraph office at Hoihow with the yamen (or residence and offices) of the Taotai at Kiungchow, 3 miles distant.

Silver small coin.

The small silver coins lately cast in the Canton Provincial Mint are now in pretty extensive use. The 20-cent. coin is

marked in English, as well as in Chinese, "one mace and forty-four candarins," the mace being one-tenth of the tael, the nominal money before referred to. The 10-cent. piece is similarly marked "72 candarins." These are much more pleasant to handle than the dirty and barbarous copper cash, worth from 10 to 12 for 1 c., which here, as elsewhere, are still the coins in greatest circulation. At Hoihow there also passes current foreign copper small change in great variety, British, British-Colonial, and French-Colonial, as might be expected in a place to which so many labourers are constantly returning from Singapore, Bangkok, or Annam.

Nothing has yet been done in the way of road-making, so much needed, although the configuration of the country lends itself so admirably to it.

Conclusion.

I cannot conclude this report without acknowledging my indebtedness to the Acting Commissioner of Customs, Mr. Julius Neumann, for courteously allowing me to have access to the customs returns of trade for the year, which contain vast stores of interesting tabulated information on everything connected with the commerce of the port. Customs returns.

Annex A.—Return of all Shipping at the Port of Kiungchow during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	16*	14,281	16	14,281
German	...	...	147	82,182	147	82,182
Danish	...	...	124	53,608	124	53,608
French	...	...	19	16,606	19	16,606
Dutch	...	...	5	4,178	5	4,178
Swedish and Norwegian	...	...	1	445	1	445
Total	...	...	312	171,300	312	171,300
,, for the year preceding ...	...	...	...	...	296	...

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	17*	15,273	17	15,273
German	...	...	147	82,182	147	82,182
Danish	...	...	124	53,608	124	53,608
French	...	...	19	16,606	19	16,606
Dutch	...	...	5	4,178	5	4,178
Swedish and Norwegian	...	...	1	445	1	445
Total	...	...	313	172,292	313	172,292
,, for the year preceding ...	...	...	...	...	295	...

* In addition, there were 10 passing visits by British steamers which, without formally entering or clearing, without either shipping or landing cargoes, dropped returned emigrants from the Straits Settlements and Siam; and 18 visits of German, 15 of Danish, and 27 of French coasters which merely called in to land passengers and mails.

Annex B.—COMPARATIVE List of Principal Articles of Import into Kiungchow during the Years 1891–92.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Foreign goods—					
Opium—					
Patna	Lbs. ...	25,665	16,522	51,585	32,043
Benares	,, ...	1,092	670	3,637	2,216
Malwa	,, ...	556	414	695	519
Indian yarn	,, ...	2,667,733	71,233	2,290,800	61,062
White shirtings	Pieces ...	24,817	11,837	24,891	11,906
T-cloths, 32 inches	,, ...	16,264	4,119	13,526	4,709
Other cottons	...	...	8,459	...	8,321
Rice	Tons ...	110	913	724	4,213
Kerosene oil	Gallons ...	558,890	18,472	260,690	9,066
Matches	Gross ...	178,620	8,118	134,141	6,635
English camlets	Pieces ...	656	1,319	735	1,431
Long ells	,, ...	2,734	2,537	2,526	2,351
Cloths, broad, habit and medium	,, ...	169	891	147	851
Other woollens	...	...	2,046	...	1,771
,, foreign goods	...	...	35,572	...	35,305
Total foreign goods	...	...	183,122	...	182,399
Native produce—					
Vermicelli	Tons ...	514	10,481	427	9,634
Medicines	...	...	9,768	...	9,962
Raw cotton...	...	...	...	230½	10,455
Other native goods	...	...	30,181	...	28,646
Total native produce ...	...	...	50,430	...	58,697
Grand total	...	...	233,552	...	241,096

Annex C.—Comparative List of Principal Articles of Export from Kiungchow during the Years 1891–92.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Pigs, live	Number ...	47,232	60,177	41,833	53,350
Sugar, brown	Tons ...	4,793	33,753	4,998	37,670
,, white	,, ...	432	5,234	438	5,115
Betel-nuts	,, ...	538	12,168	615	13,990
Sesamum-seeds	,, ...	649	10,104	988	13,727
Leather	,, ...	208	9,734	230	10,320
Hemp (pine-apple fibre)	,, ...	131	9,908	106	9,080
Ground-nut cake	,, ...	1,199	6,260	1,203	6,734
Eggs	Number ...	13,714,800	7,107	9,326,400	4,938
Poultry	,, ...	322,623	6,810	111,416	2,224
Other goods...	Value ...	...	51,642	...	43,690
Total...	...	...	212,897	...	200,838

Re-exports.

Description.	1892.	1891.
	Value.	Value.
	£	£
Foreign goods	5	254
Native goods	93	15
Total re-exports	98	269
Total exports and re-exports...	212,995	201,107

Annex D.—TABLE showing the Total Value of all Articles Exported from and Imported into Kiungchow from and to Foreign Countries and Chinese Ports during the Years 1891–92.

Country.	Exports.		Imports.	
	1891.	1892.	1891.	1892
	£	£	£	£
Great Britain	..	..	7,444	..
Hong Kong—				
Imports—				
Foreign goods	..	..	174,513	182,885
Native „	..	..	58,637	50,340
Exports—				
Native goods for foreign countries	42,558	81,851	..	..
Native goods for Chinese ports	148,281	121,755	..	..
Total	190,839	203,606	233,150	233,225
Singapore and Straits	263	1,099	96	..
French Indo-China	2,972	4,534	346	237
Siam	..	233	..	..
Total foreign countries	194,074	209,472	241,036	233,462
„ Chinese ports (Pakhoi)	6,764	3,424	59	90
Total foreign countries and Chinese ports ..	200,838	212,896	241,095	233,552

RECAPITULATION.

Description.	Value.	
	1891.	1892.
	£	£
Grand total, exports and imports	441,933	446,448

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF SWATOW.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1034.

Presented to both Houses of Parliament by Command of Her Majesty,
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CHINA.

SWATOW.

Acting-Consul Wilkinson to the Earl of Rosebery.

My Lord, *Swatow, March* 29, 1893.

I HAVE the honour to forward herewith my Report on the Trade of Swatow for the year 1892.

I have, &c.

(Signed) W. H. WILKINSON.

Report on the Trade and Commerce of Swatow for the Year 1892.

ABSTRACT of Contents.

	Page
Total trade	1
Treasure	2
Imports—	
Foreign goods	3
Native goods	6
Exports	7
Shipping and emigration	8
General—	
Anti-foreign placards	9
Steam launches	10
Public works	10
Annex A.—Shipping returns	11
„ B.—Principal articles of export	12
„ „ import	12
„ C.—Total value of exports and imports	13

The total trade of the port of Swatow for 1892 fell short of that for 1891 by 2,000,000 taels (400,000*l.*), and of that for 1890 by more than 1,000,000 taels. The exact figures are:— Total trade.

Year.	Value.
	Taels.
1892	24,305,715
1891	26,398,988
1890	25,070,981

Statéd in sterling the decline is far more striking, as the tael having fallen from 5*s.* 1*d.* in 1890, and 4*s.* 10*d.* in 1891 to 4*s.* in 1892; these sums were expressed in the reports for the last 2 years, as—

Year.	Value.
	£
1891..	6,424,869
1890..	6,433,002

whereas the total for 1892 becomes 4,861,034*l.*

Sterling values, however, when applied to the trade of this port are largely misleading. The great bulk of that trade is either with other treaty ports or with the Straits Settlements and (indirectly) India, in a word, with silver using countries. With the exception of shirtings and a few other classes of piece-goods (798,583 taels), English yarn (547,207 taels), woollens (122,102 taels), some metals, excluding tin (103,816 taels), and American kerosene oil (93,995 taels), very few imports have to be paid for in gold. The above figures, which are those for 1892, amount only to 1,665,703 taels, out of a total import of 17,487,098 taels—that is, less than one-tenth of the import, or one-fourteenth of the whole trade.

Treasure. As usual, the return shows that the balance of trade is against Swatow, dollars to the value of 538,448*l.* having been exported, while only 54,024*l.* worth were imported. These figures, again, are to a certain extent misleading. Swatow is a great port of emigration, some 60,000 men (counting those from Amoy) leaving and 45,000 returning to the district of which it is the door in the course of each year. The great majority of those who return bring with them silver, their earnings abroad, and the aggregate thus conveyed—which is not reported to the customs—must be great. For instance, some 17,000 dol. were looted from the passengers on the "Nomoa" by the pirates who attacked her in 1891. If the influx of silver from this source be not taken into account, it will be found that a net amount equivalent to 225,886*l.* was exported during 1892 to Hong-Kong, 43,051*l.* to Shanghai, 26,263*l.* to Foochow, and 241,134*l.* to Amoy and Tamsui. The greater part of the silver entered in the returns as for Hong-Kong or Macao is destined for Canton as remittances to the provincial treasury. The shipments to Amoy are not justified by the comparatively meagre interport trade, but are intended ultimately for Hong-Kong in payment of imports. The dollars go first to Amoy, as a more favourable rate of exchange rules there for bills on Hong-Kong.

Dividing the total trade of the port into three heads of foreign imports, native imports, and exports, it appears that as compared with 1891 there has been a decline all round, but that the falling-off is most marked in the last of the three. This is due to the

diminished export of sugar, the values for which amounted in 1892 to 3,642,760 taels (728,552*l.*), as against 5,153,670 taels (1,232,337*l.*). Since the sugar crop of one season does not come into the market till the following spring, the cause of this considerable decline must be sought in the harvest of 1891, which owing to a disastrous typhoon in September of that year was in many places very poor indeed.

Imports.

General remarks.

The decline of 677,716 taels (135,543*l.*) was almost entirely in foreign goods, the falling-off in native imports being only 47,273 taels (9,455*l.*).

Foreign imports.

There was a decline in opium, cottons, and woollens, but a slight gain in metals, and a far larger one in sundries.

The figures for the last 2 years are :—

Opium.

Description.	1892.		1891.	
	Quantity.	Value.	Quantity.	Value.
	Piculs.	Hk. taels.	Piculs.	Hk. taels.
Malwa	3,156·33	1,467,871	3,346·47	1,600,148
Patna	2,167·81	919,080	2,690·15	1,112,719
Benares	1,547·82	654,424	1,740·25	714,598
Persian	272·60	101,239	118·44	52,146
Boiled	0·15	119	0·28	221
Total	7,144·71	3,142,733	7,895·59	3,489,832

From these it appears that except in the insignificant item of Persian opium there has been a falling-off in the import of every form of the drug. The general depression caused by the failure of the sugar crop would account for this decrease (of almost exactly 10 per cent), without assuming an extension of the overland trade in Ssu'chuan opium. The import of this last variety through the maritime customs did, it is true, increase, and largely (from 353 taels in 1891 to 12,611 taels in 1892), but the amount was still comparatively trifling.

The system to which Mr. Frater drew attention in his report for 1891 of raising an annual revenue from the opium-boiling trade continues in full force. Each opium-boiling establishment is required to take out a license before commencing business, under the terms of which a monthly return must be made of all opium sold, and a license fee paid of 3 per cent. on the sales. If one uniform (and moderate) fee were exacted from all opium-boiling houses alike—both those in which native and those in which foreign opium is prepared—the procedure might be less objectionable, but as the present fee is proportioned to the amount of the sales, it is clearly in

the nature of an increased duty, and, therefore, under the provisions of the additional article of the Chefoo Convention, illegal. This is not, however, the view of the provincial Government, to whom remonstrances have been addressed.

Cottons. The import for the last 3 years of the principal cotton goods has been :—

Articles.		Quantity.		
		1892.	1891.	1890.
Shirtings	Pieces ..	279,338	378,417	341,898
T-cloths..	„ ..	71,032	78,715	114,240
Turkey-reds	„ ..	7,726	9,702	9,504
Japanese cotton cloth..	„ ..	9,801	10,429	10,610
Towels	Dozens ..	12,576	9,184	6,150

Only in towels has there been any improvement. This, by the way, does not argue any increased attention paid to cleanliness, for the towels are, as a rule, used for clothing. The breadth of the ordinary towel being that from shoulder to shoulder; two towels sewn together will make a coat. Sleeves are dispensed with, and except for the armholes, there is absolutely no waste of material. To waste material is exceedingly distasteful to a Chinaman, and the size of his native piece-goods and the fashion of his clothes work together to avoid such waste. Our manufacturers no doubt bear this frugal tendency of Chinese fashion in mind, but they themselves are bound round by economic laws apparently no less rigid. A loom designed to turn out cloth of the narrow Chinese breadths requires as much attention as a loom that will give you cloth twice as wide. Could not the cloth be woven so as to be subsequently divisible down its centre; in other words, could not two pieces of Chinese breadth be simultaneously produced from the same loom? So far the remonstrances of importers have availed chiefly to affect the length of the piece. If a piece of 40 yards will make exactly 12 Chinese garments, it is clear that a piece a few inches less will produce only 11 similar garments, leaving a comparatively useless remnant. Importers, then, who know their customers, have urged that the piece, though it cannot be woven to a given inch, should always exceed the expected length—never fall short of it. For this reason a brand in which, owing to the cutting out of flaws, broken pieces were not uncommon in the bales, would speedily become unpopular.

On the other hand, as Chinese garments sit loosely to the figure, and can be transferred from one person to another without any noticeable misfit, would it not be possible for our manufacturers to turn out goods of the exact size needed for coats, gowns, and the amorphous pantaloons? Might not these crude garments be produced entire, and so imported into China?

Yarn English cotton yarn was imported to the extent in 1892 of

3,472,000 lbs.; in 1891 of 3,644,400 lbs.; and in 1890 of 3,229,200 lbs. Indian yarn for the same 3 years stood at 13,892,533 lbs., 15,278,215 lbs., and 13,876,533 lbs. Thus although the import fell below that of 1891 (the best year on record), it was better, if only slightly better, than that of 1890.

Raw cotton.

As a natural consequence of the growing trade in yarn, the import of Indian raw cotton continues to steadily decline. In 1890 it was 1,840,300 lbs.; in 1891, 1,244,656 lbs.; but last year only 982,400 lbs. Chinese raw cotton has gone back as nearly as possible to the figures of 1890, if measured by weight; in value (but value is only a trustworthy test in the case of ad valorem goods), it has slightly appreciated.

Woollens.

Woollens show a decline in all the principal branches, with the exception of broad and habit cloth, a comparatively small factor. In this there has been an increase from 765 pieces in 1891 to 1,243 pieces in 1892. The increase in value (from 16,091 taels to 17,711 taels) has not, however, been equally satisfactory. In a warm climate like this woollens are chiefly in demand for ornamental purposes, such as the facings of soldiers' uniforms or altar cloths. Blankets, however, ought to continue in steady demand, though in the past year there has been a considerable apparent decline—from 1,354 pairs in 1891 to 1,023 pairs. But such articles as blankets (and it may be added foreign umbrellas), are constantly brought into Swatow in the luggage of passengers from Hong-Kong, and in this way, no doubt, a large import actually takes place over and above that registered in the customs returns. It may be mentioned that the favourite blankets are apparently those dyed red.

Metals.

There has been a gain, though not a very large gain, in the chief metals. Thus railroad iron stands at 12,011 piculs (1,601,467 lbs.) in 1892, as against 9,996 piculs (1,332,800 lbs.) in 1891; old iron at 16,176 piculs, against 14,730 piculs; tin, at 11,073 piculs, against 10,200 piculs; and lead, at 2,556 piculs, against 1,876 piculs. It is an interesting if melancholy fact, to which, however, too much significance must not be attached, that a very large proportion of the old iron imported consists of the materials of the steamers wrecked near this port at the close of 1891 and the beginning of 1892, or at dates earlier still.

Kerosene oil.

There has been a great falling-off in American kerosene, but an enormous increase in Russian. The figures are:—

Country.	Quantity.	
	1892.	1891.
	Gallons.	Gallons.
American	789,256	1,048,112
Russian	1,708,576	175,600

The American import is practically a return to the rate of

1890, but the Russian is phenomenal. In 1889 Russian oil to the extent of 4,000 gallons only was imported; in 1890 it had advanced to 66,000 gallons. That the import can continue to progress at this rate (almost in geometrical ratio) is obviously impossible, but there is at present no reason to suppose that it has reached its highest point. So far, no attempt has been made to import it in bulk, nor do the necessary tanks exist. Kerosene oil owes its popularity among the Chinese to the fact that at a much lower expenditure it gives out a stronger light than the native vegetable oils. At the same time it is, intermittently, opposed by the officials as a fruitful cause of fires. For a Chinese official, it should perhaps be added, is held responsible for any considerable conflagration that may occur in his district.

Sundries.

Among the minor imports of foreign (that is extra-China) origin that have fallen-off are awabi, coal, Indian raw cotton, cuttle-fish, dyestuffs and aniline dyes, dried fish, flour, glue, ground-nuts, leather, mushrooms, prawns, rattans, saltpetre, and sandalwood. Those which show an increase are ginseng, hemp, matches, medicines, pepper, sharks' fins, and yellow silk. The inclusion in this list by the Maritime Customs of a quantity of tobacco, vermillion, and white wax, articles not appearing in the similar return of 1891, account for 56,761 lbs. of the total increase. The matches are now nearly all Japanese (417,710 gross out of 422,235 gross) as these can be put on the market at a much lower cost than their European competitors. Of the 61,863 taels spent in medicines under this heading, 2,317 taels were for European drugs. The balance were Chinese concoctions from the Straits and elsewhere. Adding to this balance another 143,087 taels for Chinese drugs imported from other parts of China, it will be seen that in the past year foreign medicaments were only 1 per cent. of the total import. Nevertheless, there is hope for the western medicine man, as the Chinese are avid consumers of all kinds of drugs, and even this import of 2,317 taels is an improvement on past years. To judge by the advertisement sheets of the vernacular press, where medical puffs fill half the space, the drugs most in demand are anti-opium specifics and aphrodisiacs.

Native imports: Bean-cake and pulse.

The staple native import is bean-cake, or pulse to be made into bean-cake. Indeed the course of Swatow trade in any particular year might be largely described as: so much bean-cake arrived to manure the sugar plantations; so much sugar left as the result of the manuring; and so many coolies emigrated because the result of the other two operations would not feed everybody. During the past year 3,610,258 piculs of bean-cake and beans were imported as against 4,395,404 piculs in 1891, a decrease of 785,146 piculs (104,616,133 lbs.). "Prices ranged for bean-cake from 1 dol. 68 c. per picul (133⅓ lbs.), the highest point at the commencement of the season, and fluctuated gradually, with a decline, until 1 dol. 38 c. per picul was reached in September. As the season closed prices improved, and by November the initial rate of 1 dol. 68 c. was resumed." The

largest kind of peas, and the kind which forms the bulk of the imports, comes from Newchwang and Hankow. The price varied but little throughout the season, commencing at 2 dol. 40 c. per picul and closing at 2 dol. 50 c. per picul. After bean-cake and pulse, the most considerable native imports are rice and paddy, hemp, wheat, and silk piece-goods. Of these the first shows a large, the second a comparatively small increase, while the last two are fairly stationary. The great increase of rice and paddy (about 100 per cent.) was due to a partial failure of the local crops. Among the minor articles coming under the head of native imports, dried fish, fungus, horns, and samshu were stationary; there was a decline in chinaroot, native cloth, raw cotton, dates, lily flowers, sesamum seed, animal tallow, black tea, vermicelli, white wax, and woollen and cotton mixtures; while an increase appears in the entries of ginseng, ground-nuts, manure cake, vegetable oils, native opium, and salted vegetables. The increase in ginseng and ground-nuts was marked, but the amounts are inconsiderable.

Exports.

The staple export of this district is, as has been already said, sugar. Next to this in value comes tobacco, native cloth, paper, grass-cloth, and oranges. Of these there was a great decline in sugar and a shrinkage less marked in native cloth and grass-cloth; the other items show an increase, more particularly in the case of oranges.

Description.	1891.		1892.	
	Quantity.	Value.	Quantity.	Value.
	Piculs.	Taels.	Piculs.	Taels.
Brown	826,886	1,957,841	626,025	1,491,381
White	831,647	3,171,234	564,411	2,138,211
Candy	2,077	14,545	1,902	13,068

Sugar.

The great decrease in sugar was due to three causes: the over-production of the 1890–91 crop, the diminished acreage planted in 1891, and the poorer yield from that acreage. Owing to the first cause, at nearly every northern port where sugar is imported large stocks were left in hand, and the demand for the new crop was consequently slack, at any rate at the beginning of the year. Towards the close the demand became brisker and prices rose. Encouraged by this, more land has been put under sugar cultivation during the past year, and with the good weather experienced as the cane was reaching maturity "growers became jubilant and prophesied a crop surpassing that of 1891, the largest on record.

Unfortunately," as my informant, a Scotchmen, somewhat quaintly puts it, "the want of rain later on damped their hopes," and the extraordinary "cold spell" of this last January has played greater havoc still. The prospects for the present season are thus far from bright, and it is anticipated that the new crop 1892–93 will fall below that of 1891–92.

Native cloth. Paper.

The native cloth is said to be for the most part foreign skirtings re-dyed. The most valuable item in paper is that of josspaper, the least that of playing cards. It may be of interest to note that taking the Haikwan tael at 4*s.*, these last are valued at an average of a little over 2½*d.* per lb.

Oranges.

The oranges, of which no less than 156,025 cwts. were exported last year, are of two kinds, the "mandarin" or loose skinned, and the "coolie" or tight skinned. The former commands a better price than the latter, but the average value of the two kinds is about 0·4*d.*, or a little under ½*d.* per lb. These oranges, like the fresh vegetables, and indeed the foodstuffs generally, are for the most part shipped to Hong-Kong and the Straits Settlements.

Shipping.

Passenger traffic.

The bulk of the passenger traffic is in emigrants going to and returning from the Straits and Bangkok, Saigon and Sumatra. The coast port traffic is comparatively insignificant, consisting as it does mainly of traders travelling to and fro on their business. That to Hong-Kong (distinguished in the table below from the coast trade) includes also men seeking their fortunes in that colony, and a few adventurous spirits bound for Mauritius. The immigration from Hong-Kong, which is practically the whole immigration, consists almost entirely of returned emigrants from the Straits, Bangkok, and Saigon. These find their way up to Hong-Kong by the ocean steamers outward bound from Europe, which convey them more cheaply than the few coasters care to do. The following table shows the numbers of native passengers to and from Swatow during the past 2 years :—

	Left Swatow.		Returned to Swatow.	
	1892.	1891.	1892.	1891.
	Number.	Number.	Number.	Number.
Coast ports	3,362	3,257	4,121	4,738
Hong-Kong	14,521	18,542	46,043	53,574
Saigon	1,211	735	..	20
Siam	9,652	8,430	..	25
Straits	30,728	27,742	97	262
Sumatra	2,991	3,912	..	32
Total	62,465	62,618	50,261	58,651

Emigration.

The falling-off in the emigration to Deli, in Sumatra, which

is all under the German flag, was due partly to the over-importation of labour in the previous year and partly to the unsatisfactory state of the tobacco trade. Direct emigration to all other places increased. This was owing in the case of the Straits traffic to a disagreement between the competing carriers. Passage rates which had for a long time been (as compared with the condition of things at Amoy) remarkably steady, fell towards the latter end of October, and continued to the close of the year at a point which while unremunerative to shipowners encouraged emigration. The increase to Siam promises to be maintained during the present year, as there is a considerable demand for coolie labour on the railways and other works in process of construction. This part of the traffic has so far been almost, if not entirely, in the hands of a British steamship company.

Including the emigration to Siam and Deli, but excluding passengers from Amoy, the proportion of emigrants carried under the British flag from Swatow to all ports outside the China seas was, in 1892, 94 per cent. as against 93 per cent. in 1891. A review of the figures for the last 10 years and 12 years shows that emigration by means of British vessels has on the whole continued very steady since the great advance in 1882. It should be noted that a large number of emigrants come from districts half way between the two ports of Amoy and Swatow, and that whether they will embark at one port rather than the other depends mainly on the amount of passage money demanded. At the present time (March, 1893) the rate at Amoy for Singapore is said to be 3 dol. 50 c., whereas the rate here, nearly 1 day's steaming nearer destination, is 5 dol. This difference must have the effect of attracting emigrants to Amoy not only from the middle distance but from points nearer to Swatow. Hence in estimating the progress of emigration the returns of both ports should be examined together.

Freights. Freights from Swatow remained steady throughout the year, as they have, in the opinion of shipowners, been cut down to their lowest paying point. From Newchwang to Swatow (the bean-cake trade) rates varied considerably. At the opening of the former port, which is closed by ice for nearly 3 months of the year, freights were 22 c. (about 8*d.*) per picul of 133⅓ lbs., but they fell gradually to 19 c. in May, and 12 c. in October. They then rose until they reached 24 c. for the last few trips of the year.

Wrecks. The only wreck in this district during 1892 was the most disastrous loss of the steamship "Namchow" on January 8. She was bringing some 340 returned emigrants from the Straits. Of these only about 50 were saved, while all the Europeans on board, seven in number, were drowned.

General.

Anti-foreign placards. The circulation of scurrilous placards accusing missionaries of poisoning wells and other incongruous offences, led to an attack

on a French priest in the country, and gave rise to some uneasiness. The authorities exerted themselves to quell the excitement, which was ascribed, as usual, to the machinations of a secret society anxious to embroil the Government. However that may be, the libels were suppressed or died away, and by the close of the summer quiet was restored. The port itself was never disturbed, though some of the worst placards had been posted in a township not 10 miles from it.

Steam launches.

The native steam launch company, described in Mr. Frater's report for 1891, continues to run, and with success. So far the projected line to Ch'aochow, the prefectural capital, has not been inaugurated; indeed, the necessary stern-wheel boats have not been purchased or built. The line should pay at least as well as the existing lines to Ch'aoyang and Kiehyang, nor should the occasional shallowness of the river prove insurmountable. The real difficulty is said to be the jealousy of the many would-be managers.

Railway and waterworks.

Two other useful schemes were under discussion last year; did, indeed, at one time promise to take actual shape. These were a railway from Swatow to Ch'aochow (some 30 miles), and a scheme for the supply of fresh water to the town of Swatow. Attempts were made, with the sanction of the Taotai, to form among the leading Chinese merchants a railway company, and a civil engineer, a member of a British firm at Hong-Kong, was engaged to make a preliminary survey of the route. He reported that there were no engineering difficulties of any importance. In spite of this the scheme has for the present fallen through, owing chiefly to the opposition of the villagers, who resented the forcible appropriation of their lands quite as much as any interference with the graves of their people.

The town of Swatow, which is built on reclaimed land, has no proper water supply, drinking water being brought to it by boats. The Taotai (a cousin of the late Marquis Tsêng) accordingly pursuaded some of the principal native merchants to endeavour to establish a system of waterworks on the foreign model. The same British engineer was consulted, and recommended that water should be conveyed to Swatow in pipes from a point some 5 miles up the Ch'aochow River. The scheme was approved, all details arranged—at a considerable cost—and a company formed with a capital of 150,000 dol. Unfortunately here again the villagers intervened. It was not so much that they entertained the objection, commonly imputed to their countrymen, against filtered, and therefore flavourless, water; nor, perhaps, were they really influenced by the outcry, raised by the local geomancers, against barbarian innovations, such as pumping engines and filter-beds. The real difficulty appears to have lain in the fact that the pipes would have to traverse portions of 13 parishes, and that the headmen of each parish demanded compensation on an altogether unreasonable scale.

For some most useful notes on the bean-cake, sugar, and shipping trades, from which I have freely drawn, I have to thank

the agent here of a British firm, while for the statistics in this report I am indebted to the Commissioner of Customs. It is pleasant to read at the conclusion of the agent's paper that "it was a fairly satisfactory year for all concerned in these trades; no fortunes were made, but none were lost, and the general prosperity of the port may be said to have appreciated by the business of 1892." And when in the Commissioner's returns we find that more than 92 per cent. of the trade was carried under the British flag, may we not, in spite of the fact that the goods themselves were mainly Chinese-owned, feel pride as well as pleasure in this result?

Annex A.—Return of all Shipping at the Port of Swatow during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	2	2,068	841	814,800	843	816,868
Chinese	...	...	62	58,873	62	58,873
German	...	...	27	24,032	27	24,032
Dutch	...	...	7	10,362	7	10,362
Swedish and Norwegian	...	...	2	1,534	2	1,534
Japanese	...	...	10	6,876	10	6,876
Total	2	2,068	949	916,477	951	918,545
„ for the year preceding ...	1	447	923	881,213	924	881,660

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	2	2,068	841	814,800	843	816,868
Chinese	...	...	62	58,873	62	58,873
German	...	...	27	24,032	27	24,032
Dutch	...	...	7	10,362	7	10,362
Swedish and Norwegian	...	...	2	1,534	2	1,535
Japanese	...	...	11	7,513	11	7,513
Total	2	2,068	950	917,114	952	919,182
„ for the year preceding ...	...	...	922	880,576	822	889,576

Annex B.—RETURN of Principal Articles of Export (including Re-exports) from Swatow during the Years 1892–91.

Articles.	1892.		1891.	
	Quantity.	Value.	Quantity.	Value.
	Lbs.	£	Lbs.	£
Native cloth	1,319,067	87,203	1,404,300	117,849
Grass cloth, fine ..	404,800	48,959	265,424	50,701
Paper	67·98	67,985	..	55,781
Sugar, brown and white	156,745,067	728,552	221,137,900	1,239,539
Tobacco	3,928,800	142,861	3,013,677	158,127
Sundries	..	337,247	..	413,042
Total	..	1,412,807	..	2,035,039

RETURN of Principal Articles of Import into Swatow during the Years 1892–91.

Articles.	1892.		1891.	
	Quantity.	Value.	Quantity.	Value.
	Lbs.	£	Lbs.	£
Opium	952,628	628,545	1,052,708	840,959
Foreign cottons and woollens	..	184,137	..	282,698
Foreign metals . ..	..	71,339	..	79,088
Native bean-cake and beans..	481,367,733	826,953	586,053,873	1,283,366
Foreign cotton, yarn, and thread	..	454,587	..	625,813
Rice, native	154,880,667	417,478	94,459,209	275,413
Native hemp	7,306,667	100,833	6,209,417	106,150
,, silk piece-goods	94,757	62,377	70,805	68,704
,, wheat	24,557,067	55,538	23,022,796	64,928
Sundries	..	695,631	..	717,597
Total	..	3,497,419	..	4,344,716

Annex C.—TABLE showing the Total Value of all Articles Exported from Swatow and Imported to Swatow to and from Foreign Countries during the Years 1892–91.

Country.	Exports.*		Imports.	
	1892.	1891.	1892.	1891.
	£	£	£	£
Great Britain	..	3	..	..
Hong-Kong	186,836	181,542	1,622,315	2,140,150
Straits Settlements ..	105,640	121,206	12,288	27,420
Cochin-China, &c. ..	12,914	20,972	1,950	2,308
Siam	56,863	69,348	..	55
Japan	..	13	12,606	22,501
Sumatra	3,503	3,591	12	..
United States of America	..	..	3,960	..
Russia	..	..	6,000	..
Java	1,922	..	..	..
Total	367,678	396,675	1,659,131	2,192,434

* Including Re-exports.

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1893.

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No. 1211.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF ICHANG.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1036.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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1178.	Buenos Ayres	½d.
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1185.	Callao	1d.
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1187.	Chefoo	1½d.
1188.	Munich	2d.
1189.	Resht	1d.
1190.	Batavia	1½d.
1191.	Batoum	1½d.
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1195.	Corunna	2d.
1196.	Algiers	15½d.
1197.	Pakhoi	1d.
1198.	Nice	1½d.
1199.	Kiungchow	1½d.
1200.	Aleppo	1d.
1201.	Stettin	4½d.
1202	Swatow	1d.
1203.	Charleston	2½d.
1204.	Syra	1d.
1205.	New Orleans	2½d.
1206.	Suakin	1½d.
1207.	Caracas	1d.
1208.	Somali Coast	1d.
1209.	Nantes	1d.
1210.	Tahiti	2d.

No. 1211.

Reference to previous Report, Annual Series No. 1036.

CHINA.

ICHANG.

Consul Everard to the Earl of Rosebery.

My Lord, *Ichang, February* 20, 1893.

I HAVE the honour to inclose my Report on the Trade *at* Ichang, not *of*, because it is almost all either for Szechuen or from Szechuen for other places.

Tables of Shipping, the Principal Articles of Import and Export, and a Chart of the rise and fall of the River Yangtze at this Port are appended.

I have, &c.
(Signed) C. W. EVERARD.

Report on the Trade and Commerce at Ichang for the Year 1892.

ABSTRACT of Contents.

	PAGE
Summary	1
Shipping	2
Passenger traffic	2
Imports	2
Exports	3
Transit passes	3
Customs revenue	3
General	3
Annex 1, shipping returns	4
„ 2, principal articles of import	5
„ 3, „ export	5

Ichang only a port of transhipment. Value of trade.

Ichang being only a port of transhipment for the great markets of the west, the figures attached to this report are apt to give a wholly wrong impression; for example, the total trade, as given in the foreign custom-house returns, amounts in value to the large sum of 2,510,779*l.*, but of this goods to the value of

NOTE.—The Haikwan tael has been taken at 4*s.* 10*d.*, as in 1891. 1 picul = 133⅓ lbs.

Actual trade.

2,163,866*l.* were re-exported, which leaves the comparatively meagre sum of 346,913*l.* as the value of the actual trade of Ichang; of this 85,370*l.* represent the value of the local exports.

Striking feature.

The most striking feature of the trade was the enormous increase in the import of Bombay cotton yarn, which will be apparent when we come to the foreign imports.

Trade in chartered junks.

The trade in chartered junks between this port and Chungking has largely developed, and has nearly put a stop to trade under transit passes—entirely so to outward transit.

Chinese opium.

Chinese opium came down in considerable quantities from Szechuen in chartered junks under the new regulations, which were described in the last report.

Foreign opium.

No foreign opium is imported for use at Ichang, as the Szechuen is found to suit the taste, and still more the purse, of the Ichangites.

Shipping.

Shipping.

262 steamers, with a total tonnage of 132,250 tons, entered and cleared, which shows an increase of 24 steamers, but decrease in tonnage of 1,638 tons; the latter was due to two vessels which were running in 1891 having been taken off and replaced by others of less registered tonnage. Of the above, 168 vessels, with a tonnage of 89,724 tons, were under the British flag, and 94 vessels, with a tonnage of 42,526 tons, under the Chinese flag.

Messrs. Jardine, Matheson, and Co. placed a new and powerful stern-wheel steamer, of 677 registered tons, drawing only 5 feet 3 inches, on the Hankow-Ichang line in March. It was built in Shanghai, and can carry about 3,000 packages of cargo even during the winter months, when the river is at its lowest. This is just the kind of vessel for this part of the river. At the same time Messrs. Butterfield and Swire started a new twin-screw steamer of 811 tons register, but it draws too much water to be of much service during the low-water season.

Chartered junks largely increased.

1,339 chartered junks, of which 744 were chartered by British firms, cleared for Chungking, as against 348 in 1891, and 681, of which 447 were chartered by British firms, came down from Chungking, as against 281 in 1891.

83 chartered junks also came up from Hankow, as against 2 in 1891.

Passenger Traffic.

Passenger traffic.

152 foreigners and 9,743 Chinese travelled up and down between Ichang and Hankow in steamers, and 8 foreigners and 595 Chinese to and from Chungking in chartered junks.

Imports.

Imports increased.

Foreign goods to the value of 1,472,116*l.*, and Chinese goods to the value of 953,292*l.* were imported, but of the former

1,325,367*l.* worth were re-exported, and 838,499*l.* worth of the latter.

Bombay cotton yarn, of which 185,471 cwts., valued at 753,009*l.*, or 51 per cent. of the whole value of the foreign imports, were imported, was all re-exported to Szechuen. The increase over 1891 was 86,229 cwts. and 236,988*l.* Bombay cotton yarn. Increase.

The total value of cotton goods imported was 1,123,213*l.*, of which 1,026,668*l.* worth were re-exported to Szechuen.

All the principal articles show considerable increase.

The total value of all woollen goods imported was 115,936*l.*, of which 112,230*l.* worth were re-exported to Szechuen. English camlets alone show some slight decrease. Woollen goods.

Brass buttons, dyes, American ginseng, black pepper, seaweed, and sharks' fins are all largely increased. Foreign sundries increased.

Raw cotton shows a decrease of 63 per cent. over 1891, no doubt owing to the vast increase in Bombay cotton yarn. Native sundries. Raw cotton.

1,116 pieces of Chinese cotton cloth, which were manufactured by the Shanghai Cotton Mill Company, was imported, as against 200 pieces in 1891. Chinese cotton cloth.

2,941 cwts. of Szechuen opium, valued at 103,721*l.*, and 160 cwts. of Yunnan opium, valued at 7,391*l.*, were imported in chartered junks, as against 452 cwts. of the former and 40 cwts. of the latter in 1891. Chinese opium.

Silk goods to the value of 380,406*l.* were imported, but 296,161*l.* worth were re-exported down river. Silk goods.

Exports.

Local produce, principally fungus, hemp, and vegetable tallow, to the total value of 85,370*l.*, was exported. Each of the above articles shows satisfactory increase. Local exports increased.

The opening of Chungking to foreign trade has put a stop to the issue of outward transit passes. Transit passes.

824 inward passes were issued by the Foreign Customs here, principally for cotton and woollen goods, black pepper and seaweed, and all for Szechuen. The total value of the goods thus sent was 89,938*l.*, as against 674,086*l.* in 1891.

The duty collected was 1,493*l.*, as against 13,018*l.* in 1891.

Of the above passes 387 were taken out by British firms, 87 by Chinese, and the remainder by American firms.

The Foreign Customs collected duties to the amount of 28,585*l.*, as against 25,068*l.* in 1891. The duties on Chinese opium alone amounted to 25,203*l.* Customs revenue.

General Remarks.

Cholera claimed multitudes of victims among the Chinese during the spring and early summer, but entirely spared the European community. Cholera.

Unprecedented heat. The summer was unprecedentedly hot, but dry, in consequence of which the greater part of the rice crops was spoiled.

Rise of river. In July the river rose to 49 feet 2 inches above its winter level, and for a few days the main street of the foreign quarter was flooded.

Disastrous fire. There was a disastrous fire in September, which spread to the native shipping, and many junks were burned down to the water's edge, but fortunately there were not many lives sacrificed.

Great cold. Winter set in with extraordinary vigour in the middle of December.

The Chungking Transport Company. The Chungking Transport Company opened a branch here in October, under the management of a Chinese agent. The foreign shipping firms have enlarged their premises and built extensive warehouses.

I am indebted to the courtesy of Mr. Ludlow, the Commissioner of Customs, for access to the customs returns, from which the accompanying tables have been compiled; also for the chart, which shows the rise and fall of the Yangtsze River at this port during 1891–92.

Annex 1.—Return of all Shipping at the Port of Ichang in the Year 1892, exclusive of Native Vessels not Entering at the Foreign Custom-house.

Entered.

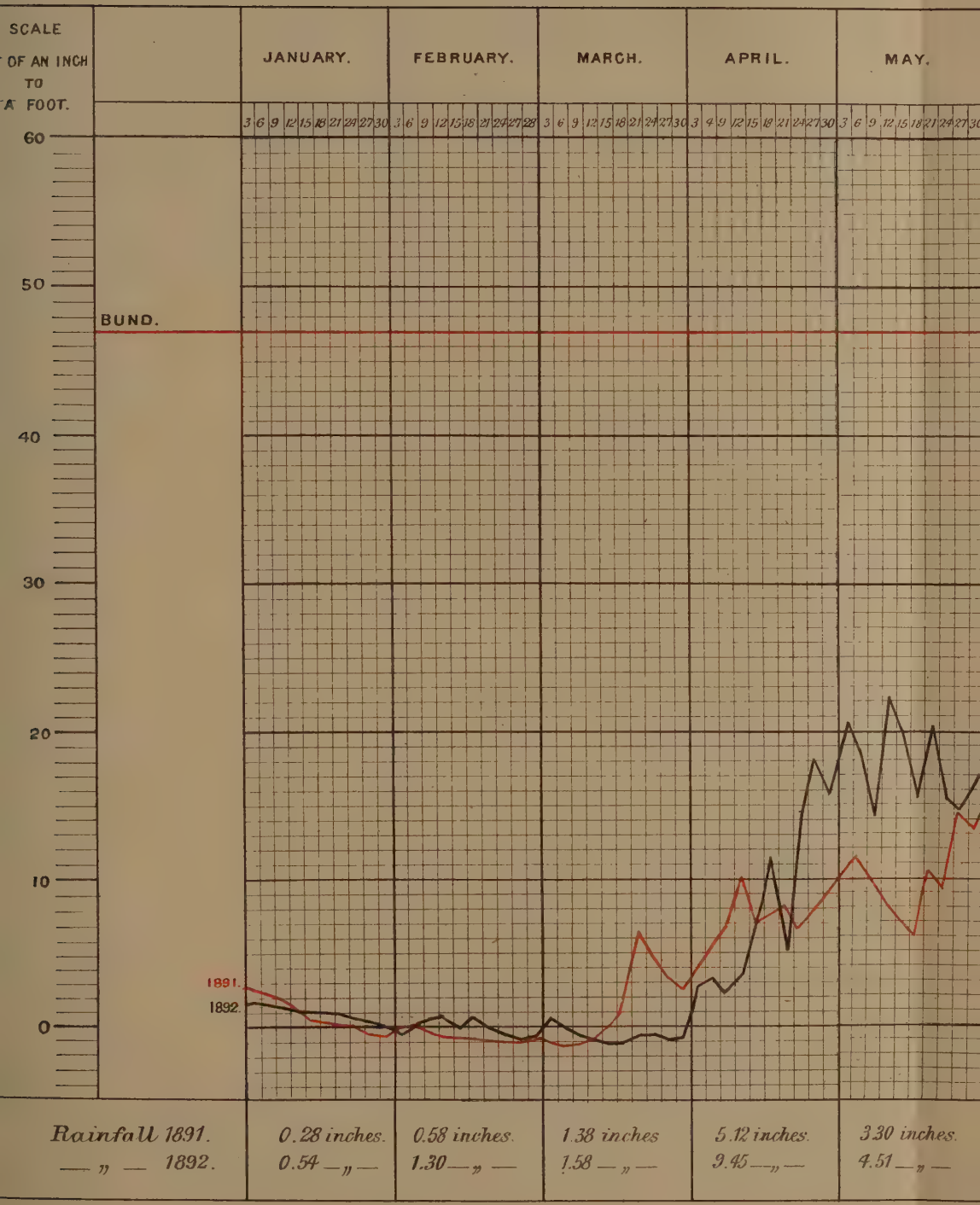
Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	84	44,862	84	44,862
Chinese	764	18,876	47	21,263	811	40,139
Total	764	18,876	131	66,125	895	85,001
,, for the preceding year ...	642	14,922	119	66,944	761	81,866

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	84	44,862	84	44,862
Chinese	1,339	37,221	47	21,263	1,386	58,484
Total ...	1,339	37,221	131	66,125	1,470	103,346
,, for the preceding year ...	607	13,998	119	66,944	726	80,942

DIAGRAM SHOWING THE RISE AND FA

FOR THE YEARS



	JANUARY.	FEBRUARY.	MARCH.	APRIL.	MAY.
Rainfall 1891.	0.28 inches.	0.58 inches.	1.38 inches	5.12 inches.	3.30 inches.
— „ — 1892.	0.54 — „ —	1.30 — „ —	1.58 — „ —	9.45 — „ —	4.51 — „ —

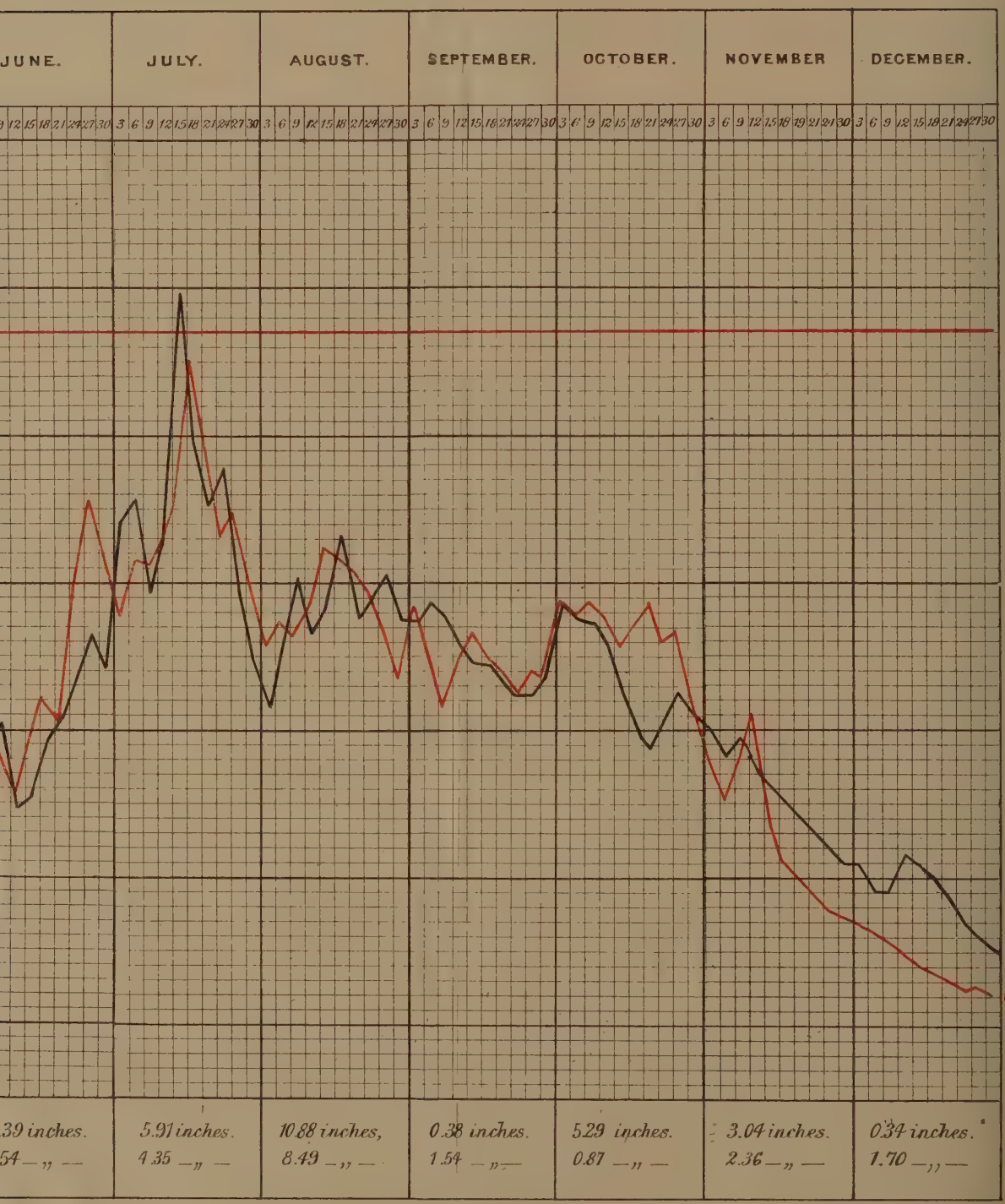
1891, Lowest mark, 0 foot, 11 inches below zero.

1892, — „ — — „ — 1 — „ — 3 — „ — — „ — — „ —

5/93. 1518)

L OF THE RIVER YANGTZE AT ICHANG,

891 AND 1892.



.39 inches.	5.91 inches.	10.88 inches,	0.38 inches.	5.29 inches.	3.04 inches.	0.34 inches.
54 — „ —	4.35 — „ —	8.49 — „ —	1.54 — „ —	0.87 — „ —	2.36 — „ —	1.70 — „ —

Highest mark, 45 feet, 8 inches.

— „ — — „ — 49 „ 2 — „ —

Annex 2.—RETURN of Principal Articles of Import to Ichang during the Years 1892-91, so far as they passed through the Foreign Customs.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Cotton goods—					
Shirtings, grey, plain	Pieces ...	591,619	228,759	416,524	161,056
,, white	,, ...	90,979	38,476	75,857	36,664
Sheetings, English	,, ...	11,774	6,401	5,370	2,920
Chintzes, furnitures, &c. ...	,, ...	55,158	21,327	18,860	7,292
Turkey-red cottons	,, ...	31,932	9,260	19,124	9,243
Cotton lastings, plain and figured	,, ...	26,152	15,800	7,859	4,748
Cotton yarn, English	Cwts. ...	1,167	5,926	471	2,432
,, Indian	,, ...	185,471	753,009	99,242	416,021
Woollen goods—					
Camlets, English	Pieces ...	5,865	14,173	6,100	14,741
Lastings	,, ...	23,591	39,908	18,348	35,472
Long ells	,, ...	8,960	10,826	7,782	8,265
Russian cloth	,, ...	3,697	22,294	1,922	11,612
Italian cloth, plain and figured	,, ...	9,796	11,832	7,430	8,712
Foreign sundries—					
Bêche-de-mer, black	Cwts. ...	1,541	12,523	1,388	12,681
Brass buttons	Gross ...	66,780	24,166	22,810	2,756
Cuttle-fish	Cwts. ...	4,583	9,722	2,953	4,798
Dyes and colours	...	...	22,801	...	11,871
Ginseng, American	Cwts. ...	370	24,086	272	20,214
Glassware	,, ...	476	1,450	407	1,239
Isinglass and fish glue ...	,, ...	1,846	6,749	1,265	5,145
Pepper, black	,, ...	4,778	14,552	2,107	6,419
Seaweed and agar-agar ...	,, ...	26,910	21,851	10,516	6,404
Sharks' fins, white and clarified	,, ...	279	5,111	197	3,745
Worm tablets in bottles ...	Dozens ...	6,644	1,665	6,561	1,585
Native sundries—					
Cotton, raw	Cwts. ...	5,143	7,818	14,164	34,504
Cuttle fish	,, ...	2,747	5,579	3,180	5,166
Opium, native, Szechuen ...	,, ...	2,941	103,721	452	18,403
,, Yunnan ...	,, ...	160	7,391	40	2,065
Silk—					
Raw, yellow	,, ...	5,947	241,516	3,703	150,408
Cocoons	,, ...	169	2,052	289	3,537
Refuse	,, ...	9,844	39,971	10,410	42,268
Cocoons, refuse	,, ...	497	2,628	603	3,515
Piece-goods and pongees ...	,, ...	697	80,560	423	48,118
Rhubarb	,, ...	5,819	29,535	1,297	6,589
White wax	,, ...	10,209	66,321	3,789	24,622
Wool, sheep's	,, ...	12,064	17,149	1,005	2,044
Total	...	...	2,425,409	...	1,367,420

Annex 3.—RETURN of Principal Articles of Export from Ichang during the Years 1892–91, exclusive of Trade not passing through the Foreign Customs.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Copper, tribute	Cwts. ...	12,261	44,805	18,392	67,207
Bristles	,, ...	4,892	9,965	1,497	3,124
Fungus	,, ...	5,294	13,280	3,342	10,179
Hemp	,, ...	22,202	31,549	9,245	13,139
Medicines	...	...	110,265	...	73,260
Musk	Ozs. ...	68,299	60,437	65,496	65,950
Nutgalls	Cwts. ...	12,089	24,541	6,950	14,109
Rhubarb	,, ...	5,819	29,535	3,314	16,825
Silk, raw, yellow	,, ...	6,019	244,373	4,546	176,261
Tallow, vegetable	,, ...	4,721	5,751	2,772	3,378
Varnish	,, ...	1,260	7,679	1,535	9,354
Wax, white	,, ...	9,789	63,595	6,338	41,174
Wool, sheep's	,, ...	13,810	19,660	9,782	19,858

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF WÊNCHOW.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1010.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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CHINA.

WÊNCHOW.

Acting-Consul Tratman to the Earl of Rosebery.

My Lord, *Wênchow, February* 22, 1893.

I HAVE the honour to enclose my Report on the Trade of Wênchow for the year 1892. The bulk of the Report was compiled by my predecessor, Mr. W. H. Wilkinson, who was in charge of this Port up to the last week of the year.

I have, &c.

(Signed) J. N. TRATMAN.

Report on the Trade of Wênchow for the Year 1892.

ABSTRACT of Contents.

	PAGE
Hindrances to trade, emigration, &c.	2
Imports—	
Opium, piece-goods, metals, &c.	3
Exports—	
Tea, oranges, &c.	7
Industries—	
Soapstone, soy, &c.	9
General remarks	11
Return of principal articles of export	12
„ „ import	13
Value of exports and imports during the years 1891-92	13
Shipping returns	14

The trade of any place which is not, like Hong-Kong, a mere market or port of change, must ultimately depend upon its natural productions, their extent and kind, and the degree to which they are exploited. The area of which Wênchow is the port, namely, the Prefecture of Ch'ü-chou, Ch'u-chou, and Wênchow, and portions of the Prefecture of T'ai-chou and of northern Fukien, is very mountainous, and its products, as at present worked, are tea, oranges, coir, charcoal, firewood, and poles, rhea fibre, opium,

The Wênchow area, natural productions.

alum, kittysols, hides, tea, oil, and varnish, silk, steatite or soapstone, and iron. The few lowlands produce enough rice and vegetables for home consumption.

Trade suffers from three evils—
1. Want of capital.

The whole province suffers from three evils. The first and greatest is the want of capital. Previous to the Taiping rebellion and some 20 years before it was formally opened, Wênchow was a place of considerable trade, principally in teas, but although the rebels never did more than threaten a descent on the city, the political necessities of the time diverted the tea trade to the open ports north and south of it—Ningpo and Foochow. The former wealth of Wênchow is plain from the remains of fine temples, pagodas, and private houses in the city and its neighbourhood. What has been may well be again, and though immediate prospects of improvements are obscured by the growth of the tea trade in Assam and Ceylon, it is not too sanguine to expect an ultimate revival of prosperity when conditions become more favourable. The first of those necessary conditions is, as has been said, the influx of capital. The people here are too poor to undertake more than a peddling trade. The poverty clearly appears by the nature of their imports, all or nearly all of inferior grades. A foreign merchant desiring to export any commodity from here —take, for example, rhea fibre, or feathers—can only hope to obtain a sufficient quantity by engaging an agent to go from farm to farm and buy by driblets. In any and every case a money advance must be made before any quantity, however small, can be obtained.

2. Hindrances to mining.

The second impediment to progress is one common to all China—the hindrances offered by officialdom or superstition to a proper system of mining. Most excellent iron is produced in the hills about here; but it cannot be profitably exported, because it is not worked out in sufficient quantities. Its excellence, moreover, is said to partly result from its smelting by means of charcoal, for it is not sufficiently certain, in the absence of a geological survey of South Chekiang, that coal of proper quality exists here. The charcoal trade and the cognate industries, timber-felling, and firewood gathering, are threatened again by the carelessness, also universal in China, which looks only to a little present gain, and takes no thought for future generations. The hills in the country must at one time have been densely wooded, but they are now being rapidly denuded. Few saplings are ever planted, and in consequence timber is yearly becoming more scarce.

3. Monopoly of sea carriage.

A third hindrance is the regrettable monopoly which foreign shipowners have allowed one Company to secure in the carrying trade of the port. With the exception of a special steamer that calls in at long intervals to carry timber for the Kaiping Railway, and an occasional lorcha bringing down kerosene oil from Shanghai, Wênchow has been for a long time dependent for communication with the outside world on native junks and a solitary steamer, the "Haechang," of only 286 tons. The steamer runs between Shanghai, Ningpo, and this port, visiting us three times a month, or to be more

accurate, 33 times a year. Possessing the practical monopoly of the trade, the owners have been in a position to adjust freights at their pleasure, with the result that while the "Haechang" is said to more than clear her value every year, trade at Wênchow does not make the advances it otherwise would. As long as there is no foreign merchant resident here, however, foreign shipowners will hesitate to send in their vessels, although it is certain that twice in the year, at any rate, during the tea season in May, and the orange season in November, it would repay them to do so. In the general interests of the port, as apart from questions of profit on freightage, there can be no doubt that competition in sea carriage is urgently called for.

Emigration.

Among the products of this region enumerated above, it may be noticed that coolie labour is not included. As a matter of fact, despite their poverty, the people here still justify the proverb—"A Wênchow man will not move." In June last a letter dated Hong-Kong was received, enquiring as to the possibility of free emigration hence to Cuba by means of British vessels. The matter was placed before the Taotai, who, after quoting Art. 3 and Art. 5 of the Cuba Convention—those, namely, that insist that emigrants shall proceed entirely of their own free will, and that give details of the procedure necessary in obtaining permits to leave China, continued:—"My predecessor here at the time caused a supply of these permits to be printed and submitted them for the inspection of the provincial authorities. More than 10 years have since elapsed, and no application for the issue of a permit has ever been entered by a Chinese subject." No serious attempt, indeed, has been so far made to institute emigration from Wênchow; nor would it appear that the above correspondent contemplates such an attempt, for nothing further has been heard from him. It may be observed in passing that during the year replies, often of considerable length, have been sent to several enquiries put by British subjects at home or elsewhere, but that in no single case have the letters been even acknowledged. May not some explanation be found in such silence for the charge of inattention to British mercantile interests (in other words, failure to respond to individual demands), sometimes brought against Consular officers?

Increase of trade.

Owing to the fall in exchange the total sterling value of the total trade of Wênchow for 1892 (152,484*l.*) showed a decrease compared with the value for 1891 (157,983*l.*) of some 5,500*l.*; but calculating in silver the circulating medium here, there is an increase of 10 per cent., the total value being the highest since the opening of the port. It is satisfactory to note that, despite the disadvantages enumerated above, the trade contrives to move slowly onward, showing what might be expected if these disadvantages were removed.

Foreign imports.

Foreign imports show a total increase of 10 per cent.

Opium.

The import of Malwa increased from 1,067 lbs. in 1891 to 3,336 lbs. in 1892, and Patna from 12,000 lbs. to 13,440 lbs.

Malwa finds its market chiefly in Jui-an, Ch'ing-t'ien, and Ch'u-chou. The greater portion sold in Ch'u-chou prefecture (of which Ch'ing-t'ien is a district) comes overland from Ningpo through Lanch'i; but it is said that a considerable quantity is smuggled into this port by junk. Men who smoke at their own homes prefer Malwa, because it is now put up in conveniently small quantities. For each chest of Malwa as brought here contains 40 packages weighing just 4 lbs. each. Each package contains six or seven pieces varying in size. It is sold here by weight at from 20 dol. to 23 dol. (55*s.* to 63*s.*) the 4 lb. package. Patna is in much more demand at Wênchow than Malwa, prepared Patna being procurable at upwards of 100 divans (divans for native opium number from 500 to 600 in the city alone). The simultaneous collection of duty and likin operates somewhat as a check on its importation; for whereas formerly importers could give a bill at one month for the likin and clear the opium, the maritime customs demand ready money. There are many complaints, too, of the irregularity in the weight of the balls. They should all weigh exactly 4 lbs., but during the last few years they have been found to weigh sometimes as much as 67 ounces, oftener 60 ounces or less. It is declared that either in Hong-Kong or in Shanghai portions of the opium are scooped out and replaced by a fair grade of the far cheaper native article. The skin is carefully patched up, and the ball rolled about until the two drugs amalgamate.

Patna, when boiled, yields 60 per cent. of smokeable matter, Malwa from 70 per cent. to 80 per cent., the best native opium 60 per cent., but when fresh as little as 25 per cent. The disadvantages of dealing in Patna are (1) the capital required; (2) the difficulties of preparing it. To set up a divan for smoking native opium, an infinitesimal capital, even a few hundred cash suffices; for the room and the furniture can be hired. The drug, moreover, is easily prepared. Patna, however, requires a comparatively large capital, for the smallest quantity purchaseable is a ball of 4 lbs., costing, as we have seen, 20 dol. or so. Further, to prepare a ball for smoking demands special apparatus for the roasting, boiling, and firing, and takes a whole day in the doing.

Native opium.

In the province of Chekiang opium was first manufactured in the prefecture of T'ai-chou, lying between Wênchow and Ningpo—whence the still common name of T'ai-chou "paste." The poppy next began to be grown for opium in other prefectures as well, Wênchow among them; but for a considerable time it was customary to hire T'ai-chou men to collect and prepare the juice. Their monopoly of opium harvesting sent up their wages and checked cultivation until such time as Wênchow hands learnt the secret. Nowadays the services of T'ai-chou men here are not required, but T'ai-chou opium keeps its old pre-eminence. In 1879 owing to the appalling famine in Shansi the Pekin Government rigorously interdicted the cultivation of opium on the ground (only, as will be explained, partially true) that it interfered with the growths of foodstuffs. Farmers were afraid

to run the risk of confiscation of their lands, the penalty of disobedience, and for the next 2 or 3 years the production of native opium was very slight. All these changes are faithfully reflected in the import of foreign opium. Gradually the officials in the prefecture, whose proclamations had caused the panic, were transferred to other posts, and the farmers, seeing that no new prohibitions were issued, took heart and resumed more and more eagerly the cultivation of the poppy. Each year the amount produced of native opium increased, until it reached its height in 1887, when the supply became greater than the demand, and growers lost. Now, although the cultivation of the poppy does not interfere with that of rice (since the poppy is not sown till after the second rice crop is gathered) it does interfere with that of rape. Rape furnishes an oil which is in constant demand. For ordinary purposes kerosene suffices, but in 1887 the people still looked askance at kerosene. Moreover, kerosene is not adapted for the opium smoker's own lamp. Hence by 1887 the constant ousting of rapeseed as a crop by poppy had brought up the price of rape-oil to a high figure. Farmers then, finding that opium sold badly and rape-oil well, turned their attention in 1888 to rapeseed, and very little of the poppy was planted. The price of opium at first remained low, but suddenly there came a rise, and consequently in 1889 there was an increase here and there in poppy planting, and it was in full swing again in 1890. That year the price fell to a very low point. During the last two years there has been no diminution in the acreage planted, but the yield has been short. The outturn for 1891 was indeed far behind that of 1890, some 20 per cent. below it at the least.

The present year's (1892) crop was very irregular. As a rule it was poor along the valleys and bottom lands. The total was, however, in excess of that of 1891, amounting for this district to nearly 120 tons.

It so happened that while the crop was maturing a great deal of rain fell, and many farmers fearing lest the plants should rot tapped the capsules prematurely, getting little juice and that thin. Those who put off tapping till a little beyond the time were rewarded, on the contrary, with juice of much the ordinary quality.

Prices of native opium vary according as the opium is old or new, pure or adulterated. The "new" opium of this season when first put on the market, sold at 300 dol. (say 42*l.* 10*s.*) per picul of 133⅓ lbs. But the farmers only got about 250 dol. per picul, selling the drug on the spot to the dealers. These have hitherto been all, nearly all, Fukien men, but this year many presented themselves from Hangchow and Lanch'i. The Fukien men, however, having more experience, had the better success. They purchase the crude opium in quantities, however small, and boil it down there and then. The opium thus prepared is made up into balls of the weight of Patna (4 lbs. each) or is stored in casks holding about 66 lbs. each. It finds its sale chiefly in

T'angshan and Funing, in Fukien province, but a certain quantity is carried over to Formosa. Large quantities pay native duty or likin, or both, but small quantities are easily smuggled. The likin authorities of Chekiang observing that a great deal passed the frontier on which no duty was paid, established in 1887 special opium likin offices, but they are not very effective as a hindrance to smuggling.

Special shops for the sale of crude native opium in Wênchow city were established and required to pay likin on each catty sold, at the rate of 14 dol. cents; but the total income from this source is only some 1,000 dol. a year. The establishment of these licensed stores has caused the failure of many of the old "drug shops" kept by Fukien or T'ai-chou brokers; but the rise in prices has had something to do with it. This rise has led, too, to a great increase in adulteration, and to a growing trade in adulterants.

The difficulties in the way of opium growing are enumerated thus: (1) The fields require twice the manure needed for dry grains or cotton. (2) Wet and stormy weather when the heads are forming causes the capsules to droop and the roots to rot. (3) The juice must be collected the moment it is ready, yet it cannot be gathered in blazing sunshine or during storms. Dull days, or days when a light rain is falling are good, and best of all are moonlight nights. (4) Labourers engaged to collect the juice require to be paid even if the weather prevents their employment.

The method of collecting the juice here is for one man to slice with a downward stroke the skin of each capsule, while several other men go round with bamboo scoops to scrape off the juice that thereupon exudes. No capsule is sliced twice on the same day, and the largest capsules will only bear six slicings. Moreover the juice of the first two slicings is far better than that of the later ones. In fact the wealthier farmers here put aside the juice so collected, and after drying it (it is not boiled) several days in the sun, store it away in the shells of goose eggs in some dark place for 3 years. It is said to be then superior to any Indian drug. Native opium, in any case, should never be used in its first year; at the very least a summer should be allowed to pass.

The best land for poppy growing is the slightly brackish, but even that is only good for 2 years. A mou (say 800 square yards) will yield upwards of 4 lbs. avoirdupois of juice if well manured and if the plants are carefully thinned out. A medium crop is $2\frac{2}{3}$ lbs., where the capsules have only taken four slicings. But it will sometimes happen that in spite of all care, and on the best land too, the capsules yield no opium.

Piece-goods.

The large increase of 40 per cent. shown in the import of cottons for 1891 over 1890 has not been maintained, but there is still an improvement of 8 per cent., in which shirtings (grey and white), T-cloths 32 inches, English drill and Turkey red cloth have all participated. It is mentioned in the trade report for

1889 that not a single bale of foreign yarn had yet reached the port, but a sample was shortly afterwards introduced by a Ningpo merchant and the article seems to have met with favour, for the import, which in 1891 was 400 lbs. of English and 6,800 lbs. of Indian, increased in 1892 to 2,800 lbs. of English and 58,667 lbs. of Indian. Woollens have remained stationary.

Metals continue to increase, the chief item being iron wire, which has improved 25 per cent. This trade in old iron emphasises in rather a melancholy way the stagnation of China. As has been mentioned, there is excellent iron in the immediate neighbourhood, but ignorance and lack of enterprise leave it practically untouched. Metals.

The demand for foreign oil increases steadily every year, the American still easily holding its own against the Russian, the latter showing 187,400 gallons and the former 207,400 gallons, an improvement of 8,400 gallons and 23,400 gallons respectively. The attempts to prohibit its use which have been officially made elsewhere have fortunately not been imitated here. Kerosene.

The Chinese-made matches from the Sui Chang Factory at Shanghai, which first appeared in the imports of 1891 at 1,750 gross, have suddenly sprung up to 16,000 gross, while Japanese matches, which showed 59,850 gross last year have declined to 14,250 gross. This heavy fall of 45,600 gross is apparent only. I am informed that matches packed in moderately sized tins, as distinct from the ordinary large cases, have been allowed for some time past to enter without payment of the likin tax. The demand has, therefore, been largely supplied by junk carriage and the figures of the foreign countries show a corresponding decrease. Matches.

There is a continually increasing demand for llama braid, which, from 2,500 boxes in 1886, has reached 14,970 boxes in 1892. Llama braid.

Native imports show an increase of over 6 per cent., but do not call for detailed notice. Native imports.

Exports show an improvement of nearly 12 per cent. This, as in 1891, is chiefly due to the increase in tea, which represent 60 per cent. of the export trade. Exports.

Compared with the exports from Foochow, Hankow, or Shanghai the amount of tea which leaves Wênchow is exceedingly small, but the tea trade here, instead of steadily decreasing, is steadily increasing. The customs returns for the last 4 years are as follows:— Tea.

Description.	Quantity.			
	1889.	1890.	1891.	1892.
	Lbs.	Lbs.	Lbs.	Lbs.
Black	193,408	357,043	322,882	401,201
Leaf	294,805	355,681	582,501	624,227
Total	488,213	712,724	905,383	1,025,428

These figures by no means give the whole of the trade, for by far the greater part of the tea exported from this area is conveyed by junk. Generally speaking, it is stated that what is here known as "box tea" is carried by steamer while "basket tea" goes in native vessels. As a matter of fact nearly all teas nowadays leave Wênchow in baskets, though some are packed in bags, or even in old kerosene tins; but it was formerly the case that the steamers required teas sent by them to be packed in boxes, and, as owing to the other freights charged, only the better class of teas would go by steamer, "box tea" came to be a synonym for the more expensive grades. Further, in this area some of the minor seaports, such as Ku-ao-t'ou in P'ingyang, 40 miles to the south, export more tea than does the treaty port of Wênchow. Other districts again, such as Yo-ch'ing, send their teas overland through T'aichow to Ningpo. The amount leaving this area otherwise than by steamer is computed for the past season at something like 6,000,000 lbs.

These figures agree fairly with the reputed intake of the likin office during the summer, said to be 50,000 taels for tea alone. The likin on "box tea" is at the rate of 1·4 taels per picul of 133⅓ lbs., that on "basket tea" is exactly half the amount. If the whole of the teas on which likin was paid belonged to the former class the total export, whether by junk or steamer, would be over 4,500,000 lbs.; if on the contrary all the teas were "basket teas" the total export would be over 9,000,000 lbs. As the majority of the teas are known to be "basket," the amount computed, viz., some 6,000,000 lbs. for junk borne teas, seems fairly within the mark.

In addition to likin and export dues, teas here are further burdened by a levy of 0·034 taels per picul as a special tax in aid of the provincial Government at Hangchow. A picul of "box tea," then, worth (by the assessment of the foreign customs) 25 taels would pay—

	Amount.
	Taels.
Hangchow tax	0·034
Likin	1·400
Export duty	2·500
Total	3·934

As none of the teas exported here are carried straight to foreign countries, they further incur a half import duty (of 1·250 taels) on arrival at the native port of shipment, which in the case of the black tea is Hankow and in that of the green Shanghai. In this way their cost to the foreign exporter is increased by at least one-sixth.

There are only five native tea merchants in Wênchow of any standing, but as the ultimate market (as far as Chinese are

concerned) for tea is in Shanghai or Hankow, petty traders constantly convey small lots of a few dozen piculs to Shanghai, usually by junk. The tea merchants declare that this season they have, as a body, not gained on the black teas, but have made a small profit on the green. For the finest first crop they paid in the country 80 dol. per picul, or something like 3*s.* 9*d.* per lb.

Oranges. The export of oranges shows a decrease from 1,777,801 lbs. in 1891 to 1,481,013 lbs., although the crop was a very plentiful one. This is the result of the formation of a "ring" of speculators, who held back the fruit in order to enhance its price at Shanghai and Tientsin, the chief points of demand. The desired effect was not, however, produced, and the ring having been broken through towards the end of the year, the speculators sustained heavy losses, and a repetition of the experiment is not anticipated.

Kittysols and frames. The export of the frames of kittysols, or native umbrellas, has suddenly revived. The trade fell into the hands of a single merchant, and gradually dwindled down to insignificant proportions, but this monopoly has now happily ceased, and in 1892 30,550 frames were exported. Kittysols, too, have increased from 103,406 pieces to 125,210 pieces.

Transit trade. The issue of transit passes increased from 1,596 in 1891 to 1,765. The goods covered and the towns supplied differ little from those of former years. The anomaly of Ningpo supplying places near to Wênchow has been so often dwelt upon and explained in previous reports that it is only necessary here to note its continuance.

Soapstone. The manufacture of steatite or soapstone ornaments deserves a detailed notice. The mines are distant 42 miles from Wênchow. They are reached by a boat journey of 35 miles up the river which flows past this Consulate, followed by a land journey of 7 miles over rough ground. The hills containing steatite are owned by 20 to 30 families, who in some cases work the mines themselves, in others engage miners to do it on their account. The galleries are driven into the sides of the hills and are often nearly a mile in length. The composition of the hills is soft, and the shafts require to be propped up by supports of timber; for the same reason the floors of the galleries are full of mire and clay, so that the miners wear special clothing, made principally out of rhea fibre. They lead a hard life, living in straw huts on the hillside. The stone when first extracted is soft, hardening on exposure to the air. It is brought out of the mine in shovels, and is sold at the pit mouth to the carvers at a uniform price of 20 cash a catty—about ½*d.* per lb. This would be when the purchaser buys it in gross, without first picking it over in any way. When picked over the mineral varies very considerably in value—according to the size of the lump, its shape, nnd above all its colour. The colours are given as purple red, mottled red, black, dark blue, light blue, grey, white, eggshell white, "jade," beeswax, and "frozen." Of these "jade" (here the white variety, not the green) and "frozen" are the most valuable. Indeed, so valuable is the latter that good specimens of it are said to fetch more than real jade itself.

The soapstone industry finds employment at the present time for some 2,000 miners and carvers. A great impetus was given to it by the opening of this port to foreign trade. Previous to that event the chief purchasers of soapstone were officials and literary men, and the article most often carved was a stamp or seal. When it was discovered that foreigners admired the stone, articles were produced to meet what was supposed to be their taste. Such were landscapes in low or high relief, flower vases, plates, card trays, fruit dishes, cups, teapots, and pagodas. Many natives of Ch'ing-t'ien have made, for them, large profits by selling these goods "abroad"—at Shanghai, Hong-Kong, or Singapore.

If left to his own devices the native carver proceeds first to examine his stone, much as a cameo cutter would do, to discover how best he can take advantage of its shape and shades of colour. There is for this reason room for wide difference in artistic quality, apart, altogether, from the intrinsic value of the mineral, and carved pieces vary in price from a few cents to 10 dol. and upwards. Among the more purely native articles produced are, besides the seals, writing materials, as trays for pens, slabs for rubbing ink, and the like; flower-vases, square, round, or hexagonal; boxes for sealing vermilion; incense boxes of all kinds, but chiefly having the character for "long life" in open work on the cover; small sandalwood burners; flower baskets and balls, candlesticks; chessmen (or, as we should regard them, draughts), cups, bowls, and lamps; idols, as the Star of Longevity, the Eight Genii, Goddess of Mercy; lions, monkeys, and other animals. Less ambitious workmen content themselves with polishing the stone and cutting in relief certain common emblems, as the sun, moon, clouds, mist; the lute, chessboard, books, scrolls; or the characters for happiness, promotion, old age, and posterity. It is said, by the way, to be a peculiarity of the retail business that these goods are to be purchased more cheaply from house to house pedlars than at the place of manufactory—the mines. The reason given is that the excessive weight of the material makes the pedlar glad to dispose of it at any price. But the fact may be quite otherwise and the story an ingenious concoction in the interests of the pedlars.

Soy and beancurd.

The manufacture of soy and beancurd is one of the most flourishing in the prefecture. The method is not supposed to be a secret, but the native manufacturers do not encourage inspection by foreigners. The beans used in the industry are principally white beans from Chinkiang. Besides these little else is required than a large amount of salt and flour, and an unlimited supply of fresh water. There are five large manufacturers here, who work under licenses issued by the provincial Government, and (as salt is a Government monopoly) are subject to periodical inspection of their premises by excise-men. The largest manufacturer at Wênchow will take out a license for 8 salt "passes," each "pass" representing 368 bags of 85⅓ lbs., that is, will use some 2,243 cwts. of salt every year.

For each "pass" obtained the manufacturer is permitted to set up 36 vats, to each of which again are annexed two feeding vats. The vats are arranged at the bottom of a reservoir; the salt is stored in a similar reservoir at the back of the premises, where it is allowed to stand and drain for 1 year. (Chinese salt is largely sea salt, unclarified.) Each vat is provided with an impervious cover. The beans having been carefully washed are placed in cauldrons, so constructed as to require little fuel. Each cauldron holds 123⅓ lbs. of beans. These are boiled for 6 hours, after which the fires are allowed to die away, and the beans to simmer and cool through another 18 hours. The broth is drawn off for use later on in the process, while the mash is mixed with flour (apparently wheat flour) at the rate of 213⅓ lbs. of flour for each cauldron of mash. The resultant mixture is placed in large shallow baskets of bamboo fitting, each upon a wooden frame. These frames are piled one on the top of the other to a great height, and are left in the sun for 5 or 6 days, or, if the weather be cold, 7 or 8 days. When the mash gives out a yellow effluvium and turns yellow it is ready for further manipulation.

It is now placed in the vats, and over it is poured a mixture thus obtained. The salt that has been stored for a year is clarified by being mixed with water in the proportion of 2 lbs. of salt to 5 lbs. of water, the scum and lees being removed. To this clarified brine is added the bean broth earlier mentioned, and the mixture is ready. With this mixture the mash (now dry) is from time to time beaten up, then left to ferment. As it dries in the sun the process is repeated, and so on throughout the hot season (say July to September), care being taken to cover the vats during rain. After 3 months or so a yellow oil appears, each vat producing about 667 lbs. of the oil.

To these 667 lbs. of oil are added 2,400 lbs. of brine (but no bean broth) thickened by 10 per cent. of salt, and the result is the soy of commerce. Of this there are six grades, the prices of which per catty (1⅓ lbs.) are respectively 96 cash, 80 cash, 56 cash, 40 cash, 24 cash, and 20 cash—1,040 cash to the dollar (2*s.* 10*d.*). The soy of one year can be used in that year, but it is considered always better to give it a second summer's fermentation.

General remarks. Accessibility of the port.

An impression prevails that the navigation of the Ou River, on which Wênchow stands, is rendered exceptionally difficult by constant changes in the channel. Commander Kirby, of H.M.S. "Swift," who visited the port towards the end of the year, states, however, that there has been no appreciable change since he brought the "Swift" up to Wênchow 6 months ago, and that the beacons erected by the I.M. Customs to mark the different crossings should render the approach easy for vessels of suitable draught. The provincial cruiser "Chao Woo," a ram of 1,000 tons, 230 feet long, draught 15 feet, is brought up to Wênchow with safety. She has no Europeans on board, and what a large vessel of her class, officered by Chinese, can do, our coasters under European command should find simple enough.

Its attractions.

Wênchow has not so far attracted the attention of the traveller, or even of the Shanghai sportsmen, and yet the scenery in the neighbourhood is particularly fine, and in winter game (more especially waterfowl) is abundant. The best season for ascending the lovely river above the city is May or the early part of June, when the cascades are full of water and the varied tints of the azaleas import a special beauty to the hills.

In converting the figures on which this report is based (for access to which I am indebted to the courtesy of the Commissioner of Customs) the average value of the Haikwan tael during the year 1892 has been taken at 4*s.* 4*d.*

Annex A.—Return of Principal Articles of Export from Wênchow during the Years 1891–92.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Bamboo shoots	Lbs.	79,159	152	74,857	238
Charcoal	,,	838,504	545	1,145,544	849
Coir	,,	245,320	1,388	129,716	791
Eggs, preserved	Pieces	117,600	102	84,000	139
Firewood	Lbs.	488,800	143	596,266	130
Fish maws	,,	17,469	1,266	13,934	1,172
Isinglass	,,	2,101	135	2,186	125
Medicines	Value	...	2,617	...	1,868
Oranges, fresh	Lbs.	1,481,013	2,325	1,777,801	3,592
Pewterware	,,	2,927	157	3,152	192
Prawns, dried	,,	51,137	1,586	46,687	1,256
Resin	,,	95,540	155	71,093	131
Soapstone ornaments	,,	23,716	308	22,185	328
Tea, black	,,	401,201	12,136	322,882	12,208
,, unfired	,,	624,227	11,757	582,501	12,807
Tobacco, leaf	,,	161,003	1,135	159,061	1,174
Umbrella frames	Pieces	30,550	121	...	...
Umbrellas, paper	,,	125,210	1,402	103,406	1,272
Wood poles	,,	18,712	1,144	15,474	1,141
Sundries	Value	...	1,350	...	988
Total	...	...	39,924	...	40,401

Annex B.—Return of Principal Articles of Import into Wênchow during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Opium	Lbs. ...	16,773	12,298	13,067	10,034
Cottons	Pieces ...	91,409	30,602	84,307	31,930
Woollens	,, ...	5,421	8,697	5,241	9,865
Metals	Tons ...	819	8,246	727	7,944
Bêche-de-mer	,, ...	11	874	11	711
Braid, llama	Boxes ...	14,970	1,100	11,893	1,047
Dates	Tons ...	111	1,334	160	1,923
Dyes, aniline	Value ...	...	1,420	...	1,297
Fans	Pieces ...	632,669	1,752	374,200	1,326
Fungus	Tons ...	28	2,793	45	4,830
Ginseng	Lbs. ...	3,956	1,628	2,622	1,072
Hemp	Tons ...	48	1,369	25	840
Lily flowers, dried...	,, ...	67	1,816	70	1,750
Matches	Gross ...	30,250	1,402	61,600	3,361
Medicines	Value ...	...	1,779	...	2,272
Needles	Mille ...	3,800	180	4,810	263
Oil, kerosene, American	Gallons ...	207,400	5,986	184,000	6,630
,, Russian	,, ...	187,400	4,908	179,000	6,012
Seaweed, Japan	Tons ...	326	3,263	332	3,059
Sugar	,, ...	79	1,344	90	1,806
Tobacco, prepared...	Lbs. ...	69,112	2,036	62,989	2,044
Varnish	,, ...	22,989	2,480	21,688	2,878
Wax, white...	,, ...	9,648	822	11,250	1,100
Sundries	Value ...	...	14,431	...	14,493
Total	...	...	112,560	...	117,552

Annex C.—Table showing Total Value of all Articles Exported from and Imported into Wênchow from and to Foreign Countries during the Years 1891–92.

Country.	Exports.		Imports.	
	1891.	1892.	1891.	1892.
	£	£	£	£
Nil*	..	..	..	..

* All exports and imports are to and from Chinese ports.

Annex D.—Return of Shipping at Wênchow during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Chinese	9	1,633	36	10,826	45	12,459
Total	9	1,633	36	10,826	45	12,459
,, for the year preceding ...	8	1,324	36	10,533	44	11,857

CHINA.

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Chinese	8	1,422	36	10,826	44	12,248
Total	8	1,422	36	10,826	44	12,248
,, for the year preceding ...	9	1,547	36	10,533	45	12,080

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ON THE

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1102.	Jeddah	½d.	1162.	Nantes	1d.
1103.	Chicago	3d.	1163.	Beira	5d.
1104.	Erzeroum	½d.	1164.	Galveston	1½d.
1105.	Loanda	3d.	1165.	Berlin	1d.
1106.	Macao	½d.	1166.	Bordeaux	2½d.
1107.	Canton	1d.	1167.	Calais	2½d.
1108.	Paramaribo	1½d.	1168.	The Hague	2d.
1109.	Tunis	1½d.	1169.	Athens	12d.
1110.	Sofia	3d.	1170.	Galatz	1½d.
1111.	Brunei	1½d.	1171.	Guayaquil	1d.
1112.	Athens	2½d.	1172.	Riga	2d.
1113.	Alexandria	2d.	1173.	Trebizond	1d.
1114.	Vienna	1d.	1174.	Havre	2½d.
1115.	Stettin	2½d.	1175.	Saigon	½d.
1116.	Berne	1d.	1176.	Baltimore	1½d.
1117.	Palermo	2½d.	1177.	Brest	1d.
1118.	Tokio	1½d.	1178.	Buenos Ayres	½d.
1119.	St. Petersburg	3d.	1179.	Adrianople	½d.
1120.	Teneriffe	1d.	1180.	Algiers	2½d.
1121.	Damascus	1d.	1181.	Boston	1d.
1122.	Naples	2d.	1182.	Marseilles	1½d.
1123.	Hakodate	1d.	1183.	Warsaw	1d.
1124.	Montevideo	2½d.	1184.	Piræus	1½d.
1125.	Stockholm	1½d.	1185.	Callao	1d.
1126.	Dantzig	2d.	1186.	Jerusalem	½d.
1127.	The Hague	1½d.	1187.	Chefoo	1½d.
1128.	Odessa	1d.	1188.	Munich	2d.
1129.	Berne	1½d.	1189.	Resht	1d.
1130.	Malaga	3d.	1190.	Batavia	1½d.
1131.	Rome	2½d.	1191.	Batoum	1½d.
1132.	St. Jago de Cuba	4½d.	1192.	Tainan	1d.
1133.	Munich	1½d.	1193.	Amoy	1d.
1134.	Meshed	1d.	1194.	Zanzibar	4d.
1135.	Guayaquil	½d.	1195.	Corunna	2d.
1136.	Rio de Janeiro	4½d.	1196.	Algiers	15½d.
1137.	Tonga	1d.	1197.	Pakhoi	1d.
1138.	Copenhagen	1d.	1198.	Nice	1½d.
1139.	Tangier	1½d.	1199.	Kiungchow	1½d.
1140.	Buenos Ayres	2½d.	1200.	Aleppo	1d.
1141.	Para	1d.	1201.	Stettin	4½d.
1142.	Baghdad and Bussorah	1½d.	1202.	Swatow	1d.
1143.	Christiania	5½d.	1203.	Charleston	2½d.
1144.	Old Calabar	2d.	1204.	Syra	1d.
1145.	Trieste	1½d.	1205.	New Orleans	2½d.
1146.	Quito	1d.	1206.	Suakin	1½d.
1147.	Buenos Ayres	6d.	1207.	Caracas	1d.
1148.	Bogotá	1d.	1208.	Somali Coast	1d.
1149.	The Hague	2d.	1209.	Nantes	1d.
1150.	Mexico	2½d.	1210.	Tahiti	2d.
1151.	Florence	2d.	1211.	Ichang	3½d.
1152.	Calais	1d.	1212.	Wênchow	1d.
1153.	Lorenzo Marques	1½d.	1213.	Havana	2d.
1154.	Patras	1d.	1214.	Cagliari	1d.
1155.	Taganrog	1d.	1215.	Old Calabar	½d.

No. 1216.

Reference to previous Report, Annual Series No. 1038.

CHINA.

FOOCHOW.

Consul Mansfield to the Earl of Rosebery.

My Lord, *Foochow, March* 18, 1893.

I HAVE the honour to forward to your Lordship my Report on the Trade of Foochow for 1892.

I have, &c.

(Signed) R. W. MANSFIELD.

Report on the Trade and Commerce of Foochow for the Year 1892.

ABSTRACT of Contents.

	PAGE
Trade generally	1
Shipping and freights	2
Imports	3
Exports	4
Review of tea trade	5
Subsidiary coin	7
General remarks	8
Annexes—	
I. Return of shipping	9
II. Principal articles of import	10
III. „ „ export	11
IV. Table showing total value of imports and exports and places of origin and destination respectively	11

Trade Generally.

Trade. The total trade of Foochow for 1892, as shown by the Imperial Maritime Customs returns (which of course do not include the purely Chinese junk trade), was 2,646,837*l.*, as against 3,070,499*l.* in 1891, a falling-off of 423,662*l.*

Of this decrease 223,299*l.* are in imports and 200,363*l.* in exports.

To arrive at a correct appreciation of these figures, it must, however, be borne in mind that in the imports of 1891 figured the large sum of 122,776*l.* for munitions of war, as against 30,010*l.* in 1892. These were imported direct by the Government, and can scarcely be considered as part of the ordinary trade of the port. Another point is that in turning the figures into sterling the rate of 4*s.* 2*d.* has been taken as a fair average equivalent of the Haikwan tael, while in 1891 it was 5*s.* This would account for a decrease of 15 per cent. on the total trade, so it may be fairly said that 1892 does not show any real falling-off.

Shipping and Freights.

Shipping.

A comparison with 1891 of vessels entered and cleared gives an increase of 25 ships, the tonnage, however, being less by 8,943. This is due to the fact that the number of steamers was slightly less, while that of sailing ships (small craft principally employed in the timber trade) was considerably greater.

The total register tonnage of vessels entered and cleared during the past year was 591,087, which was divided between various nationalities in the following proportions:—

Nationality.	Per Cent.
British	82
Chinese	10½
German, American, Swedish, Norwegian, and others	7½

Freights to London.

The days of empty steamers coming to lie here to await high freights on the opening of the tea market have gone never to return. The Foochow tea business in London is now so small that shippers absolutely decline to ship in empty bottoms, which means flooding the market with more tea than is wanted at one time and an unnatural depression of prices. When the market opens in June the ordinary liners call in on their way homt from Shanghai and take whatever cargo may be offering.

The first three steamers got 2*l.* per ton, the following five 1*l.* 10*s.* For a week the unprecedentedly low rate of 15*s.* per ton was established, but since rates have been maintained steadily at 1*l.* 10*s.*

For the colonies, Australia.

The first three steamers to Australia obtained 2*l.*, and rates have since been steady at 1*l.* 10*s.*

For America direct.

Rates to overland points opened at 2 c. per lb., and declined to 1½ c. Later they advanced to 1¾ c., and finally fell back to 1¼ c., at which figure they remained to the end of the year.

Opening rates 2*l.* 10*s.* per ton, which declined to 1*l.* 10*s.*, and finally stiffened to 2*l.* For New York viâ Suez Canal.

Imports.

The imports, as stated above, show a falling-off in sterling value of 223,299*l.*, for reasons which are there given. All goods of foreign origin have, with the fall in silver, necessarily increased in price, and I am informed that this increase is no less than 30 per cent. on the prices ruling two years ago. On the other hand, the purchasing power of the consumer has diminished with the depression in trade. Imports.

Cotton goods show a small increase in the sterling value, in spite of low exchange; but the great majority of items under this head have decreased or remained stationary, Bombay yarn alone, used for the manufacture of native cloth, as described in last year's report, having increased by leaps and bounds. The import of yarn for 1892 was 1,739,064 lbs., as compared with 440,000 lbs. in 1891 and 51,633 lbs. in 1890. It is to be hoped that Bombay may be able to keep its position against the competition of native yarn from the neighbourhood of Shanghai, which, however, has not yet appeared on the market. The trade in cotton goods is entirely in the hands of Chinese, and the fall in silver will, if it continues, speedily handicap Manchester out of the market. Cotton goods. Yarn.

Woollens, always a small item, have further declined in every respect, in spite of the exceptionally severe winter. Woollens.

The business in the foreign drug shows an increase, brought about to a certain extent by a partial failure of the native crop. The increase is entirely in Persian, on account of its low cost, as compared with Patna and Malwa, the consumption of both of which has decreased. The decline in the prosperity of the port and the consequent scarcity of money have led the native dealers to resort more than ever to the practice of mixing Persian with both Patna and Benares to meet the demand for a low-priced article. For the comparative import between 1891–92 see Annex II. Quotations for 1892 :— Opium.

Description.	New.		Old.	
	From—	To—	From —	To—
	Dollars.	Dollars.	Dollars.	Dollars.
Malwa	505	530	515	575
Patna	507½	627½	595	650
Benares	487½	637½	585	655
Persian	280	500	..	..

For foreign sundries, clocks, lamps, kerosine oil, and matches have increased. Foreign sundries.

Treasure. The import of treasure amounted to 980,000 dol. from Hong-Kong, in which figures 360,000 dol. in Canton subsidiary coinage (see "General Remarks"), and 800,000 dol. from Chinese ports.

Exports.

Exports. The exports for 1892 amounted to 1,405,633*l.*, as against 1,605,996*l.* in 1891. Allowing for difference of exchange (see "Trade Generally"), the trade may be said to have remained stationary. Black and green teas were almost the same as last year, but with a smaller value of course. Brick tea has increased both in quantity and value. This trade is entirely in Russian hands. Poles show a considerable increase, olives a small one, and all other items a decrease.

Treasure. The export from Foochow was 920,000 dol. to Hong-Kong and 840,000 dol. to Chinese ports—in all 1,760,000 dol.

Tea. The following notes on the crop and review of the tea trade for 1892 have been kindly furnished by Messrs. Gilbert and Westall of this port.

First crop teas arrived from the country as usual at the beginning of May, but were not placed on the market until May 26. The crop was about similar to that of the previous season, though teas from most districts were stronger in the cup than usual. They were a little rough in leaf, but on the whole it was a sound useful crop, not having been affected by bad weather as the Hankow teas were. Teas had been bought cheaply in the country, and the market opened here considerably under the previous year, when buyers paid far too much for teas, and suffered heavy losses in consequence. Buyers have been assisted throughout the season by the very low rate of exchange, and also by the rate of freight which has ruled lower than usual. First shipment met an unexpectedly good reception in London, and profits were the order of the day. Heavy shipments, however, and forced sale soon depressed prices, and during August teas were selling at abnormally low prices. In September it became apparent that India and Ceylon would not be able to export so much as was estimated, and the London market become stronger, and has remained steady since. On the whole the season of 1892–93 has been a satisfactory one to shippers. Total supplies of Congou for the season were 327,000 chests, against 347,000 chests in 1891–92.

The following table shows the range of opening prices compared with those of the previous year :—

Description.	1892–3.		1891–2.	
	From—	To—	From—	To—
	Taels.	Taels.	Taels.	Taels.
Paklums	17	36	22	41
Paklings	15	33	17	36
Panyongs	13	29	13	32
Seumoos	12	27	12	32
Saryunes	10	18	10	22
Suey Kuts	8	15	10	21
Tong Fong Tongs ..	9	16	10	20
Yung Hows	8	16	10	18·5
Siftings and dust ..	4	7	3·5	8

Review of Tea Trade.

Review of tea trade.

The teamen (*i.e.*, middlemen between grower and buyer), having suffered considerable losses for many years past, combined at the beginning of this season against the growers to lower the first cost of the leaf, and succeeded so well that they were able to sell their teas on this market at 10 per cent. to 15 per cent. less than last season, and still retain a fair margin of profit for themselves. Shippers with this lower silver cost, and the additional advantage of a reduced sterling exchange of about 10 per cent. as compared with season 1891–92 were thus able to pay down their teas in London on very favourable terms. The first arrivals met with a good reception in the London market in July, the teas from most of the districts having been considered to show improved strength if not improved quality, and fair to good profits were realised on sales made. This satisfactory out-turn to shipments lasted until the end of July; but throughout August, owing to heavy arrivals in the face of disappointing deliveries of China Congou, the market was dull, and forced sales being made, prices gave way and losses resulted. Before the end of September, however, the news that had been arriving of the shortness of the Indian and Ceylon crops as compared with the estimates was confirmed, and a marked improvement in the tone of the market took place, which was followed by a gradual but steady advance in price. The rise was subsequently maintained, and good profits were obtained on all autumn shipments. Although some losses have been made, season 1892–93 has on the whole been a profitable one to shippers.

Satisfactory though such a result is, it must be admitted that it came about chiefly through accident. The teas shipped were cheap and of fairly good quality; but with these recommendations they played but a poor part in securing the result obtained, for had the estimates of the Indian and Ceylon crops been realised, the season would certainly not have been a profitable one to Foochow shippers. In other words, the favourable result was mainly due to the fact of less tea being obtained from India and Ceylon than was expected.

A good deal has been said of late about a reaction of taste in the United Kingdom in favour of China tea, but it is slow in becoming apparent to those engaged in the trade of the far East.

Deliveries compared with Indian and Ceylon.

The deliveries of China Congou from the bonded warehouses in London for 1892 show a falling-off of 22½ per cent. as compared with those for 1891; while the deliveries of Indian and Ceylon teas for the same period exhibit an increase of 10 per cent. and 12 per cent. respectively. Of course this talked-of revulsion of taste on the part of consumers in the United Kingdom may show itself in the statistics of the trade later on. In the meantime the only hope of competing successfully with other tea-producing countries is to cut under them in the matter of price. A great stride has been made in this respect this season by the teamen as already noticed, but more must be done or the trade will continue on its downward course.

Likin and export duty.

It is idle to talk of the remission of the likin tax, or partial reduction of the export duty, as the Chinese Government will not listen to it; but assisted in this way, were it possible, China tea would be placed on fair competing terms with India and Ceylon, and a resuscitation of the trade come about. (See likin in General Remarks.)

Each season for 12 years past the supplies of tea have grown smaller and smaller, and this season proves no exception. The falling-off is about 20,000 chests of Congou, or 6 per cent., the figures being 327,000 chests against 347,000.

APPROXIMATE Comparative Figures.

Country.	Quantity.		
	1892-93.	1891-92.	1890 91.
	Lbs.	Lbs.	Lbs.
Great Britain	16,602,500	17,888,000	24,169,500
Continent of Europe	1,384,500	2,438,000	1,491,500
Australia, New Zealand ..	14,540,500	13,700,000	15,251,000
America..	4,929,500	4,100,000	3,405,000
South Africa	1,642,000	1,246,000	1,543,500
South, destination unknown ..	4,424,000	4,266,500	4,714,000
North, chiefly for Russia ..	10,542,900	13,000,000	8,885,000

I should note here that these last figures are for the whole season and not the year only as shown in Annex III. A considerable stock was left over from 1891, and exported in the early part of 1892, while the last crop was almost all sent off before the close of the year.

Duties on tea.

Unless something be done towards lowering the heavy charges by the Chinese Government on teas before they leave the country, it is hopeless to expect the Foochow article to compete with the

untaxed product of India and Ceylon, and the trade must inevitably dwindle away. The charges I allude to are roughly speaking as follows:—

Description.	Amount per Picul.
	Taels.
Likin tax and other charges from the producing districts to Foochow ..	2·70
Export duty	2·50
Total	5·20

A glance at the table of opening prices given in taels in notes on the tea crop above will show what an enormous percentage this is, especially on the cheap Congous which form the bulk of the Foochow export. By their short-sighted policy the Chinese authorities are thus gradually but surely killing a once prosperous industry which gave employment to thousands of their people. A removal or even a considerable reduction in these imposts would doubtless go far to revive the trade even now in almost its moribund state, for the cost of production must always be less than in India and Ceylon, and the question of price is, I take, after all the crucial point. If fair China tea is to be bought in England considerably cheaper than other kinds, the poorer classes will inevitably use it. I merely record the above opinion, but have little expectation that the Chinese authorities will ever be induced to take this practical view of the question.

Subsidiary coin.

In last year's report my predecessor mentioned that in 1890 the authorities here declared the small cash notes hitherto in circulation illegal tender. Hong-Kong 20 c., 10 c., and 5 c. pieces had already obtained a footing to a certain extent, and there is little doubt that had an adequate supply been forthcoming during the past few years they would have had free circulation, Her Majesty's Government benefiting to the extent of some 12 per cent., I am informed, on the cost of production. Mr. Rickett, the Agent of the Hong-Kong and Shanghai Banking Corporation, has kindly furnished me with the following memorandum on the subject:—

"In 1890 the bank imported 15,000 dol. worth of Hong-Kong subsidiary coinage for the Chinese authorities, and in 1891 150,000 dol. worth on the same account, the last shipment being in August of that year, when an order was issued that the Canton Mint coins, till then unpopular on account of their lower touch, were to be taken at par with the Hong-Kong coins. From that time we have had no further orders for the latter. The requirements of small silver for this district are large. In 1892 the local authorities imported 350,000 dol. worth of Canton small coins, and this being insufficient, a new mint is being established at Pagoda Anchorage. I have no doubt but that a large amount of

the Hong-Kong coinage could have been placed in circulation had the Hong-Kong Government been able to supply it. I wrote and telegraphed repeatedly to our Hong-Kong office and the reply was nearly always the same, viz., the Government could not supply it. I do not think there is the least chance of the Hong-Kong small coin coming to the front again."

Mr. Rickett cites several instances in proof of the above assertion that he was unable to obtain an adequate supply. Where the blame lies I am not prepared to say, but it seems a matter of regret that the Hong-Kong coinage which had a fair opening before it in this district should have lost its chance owing to its being unobtainable in sufficient quantities. I am informed that the mint for small coins alluded to above is already set up at Pagoda Anchorage, and that the Viceroy's decision as to whether operations are to commence at once is expected in a few days.

New mint.

Exchange.

The low rates ruling during the past year have undoubtedly tended to render the tea business more profitable, and it is a question whether a rise of any importance in the value of silver would not go far to extinguish the flickering prosperity of the greatly diminished trade. On the other hand, the small trade in Manchester goods and foreign sundries from Europe is doomed if the fall continues. In any case, the trade prospects of Foochow are not cheering.

Matches.

The import of European matches is only half that of 1891; the Japanese article, on the other hand, having greatly increased, the proportion between the two being now as 13 to 1. The price of the latter is so much lower that there is no possibility of competition, difference in quality being inappreciable.

Kerosine oil.

Kerosine oil makes great advances, having risen from 276,500 gals. in 1890 to 394,100, gals. in 1891, and 640,470 gals. in 1892, the American and Batoum articles bearing for the past year the proportion of two to one. Though its use is forbidden in the city proper, large quantities find their way into the interior.

Native cloth.

The manufacture of native cloth mentioned in last report continues to prosper, as may be seen from the fact that the import of cotton yarn (from Bombay) has quadrupled itself. This is of course another blow to the dwindling trade in Manchester goods.

Missionary work.

Though missionary work hardly seems to come within the scope of a commercial report, I may mention that three cases of outrages on missionaries occurred during the past year, all of them in the Kienning district of this province, which seems bitterly opposed to the propagation of the Christian religion.

In conclusion, I would observe that having only arrived here in January, 1893, I have been unable to speak from my own observation, and am greatly indebted to the Commissioner of Customs for access to his archives, and to other members of the community who have given me their cordial assistance in the compilation of this report.

Annex 1.—RETURN of all Shipping at the Port of Foochow during the Year 1892.

ENTERED.

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	191	224,197	36	17,346	227	241,543
Chinese	74	30,517	6	1,180	80	31,697
German	7	4,077	10	4,710	17	8,787
Swedish and Norwegian	1	836	...	...	1	836
American	...	...	5	2,565	5	2,565
Others	12	9,797	...	...	12	9,797
Total	285	269,424	57	25,801	342	295,225

CLEARED.

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	192	224,757	36	17,200	228	241,957
Chinese	74	30,517	7	1,403	81	31,920
German	7	4,077	10	4,710	17	8,787
Swedish and Norwegian	1	836	...	...	1	836
American	...	...	5	2,565	5	2,565
Others	12	9,797	...	...	12	9,797
Total	286	269,984	58	25,878	344	295,862

Annex II.—RETURN of Principal Articles of Import to Foochow during the Years 1891–92.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Cotton goods—					
Shirtings, grey	Pieces	62,164	30,305	62,765	25,502
,, white	,,	17,327	14,054	18,799	12,689
T-cloths	,,	210,514	85,521	218,559	73,992
Drills, English	,,	3,780	2,089	2,377	1,078
,, American	,,	3,038	2,172	4,188	2,493
Chintzes and furniture	,,	9,137	2,970	7,280	1,976
Jaconets, cambrics, lawn, muslins, and dimities	,,	13,210	2,576	12,155	1,851
Turkey-red cloths	,,	15,934	5,179	14,256	3,890
Cotton handkerchiefs	Dozens	7,161	698	6,001	481
,, yarn	Lbs.	444,000	14,490	1,739,064	44,521
Velvets and velveteen	Pieces	727	1,122	821	1,056
Cotton lastings, plain and figured	,,	334	242	100	79
Cotton sundries	...	...	11,175	...	12,543
Woollen goods—					
Camlets, English	Pieces	5,793	13,650	4,515	8,863
Lastings	,,	2,695	5,480	2,577	4,362
Broad cloth	,,	531	3,982	448	3,046
Spanish stripes	,,	2,397	5,258	2,726	4,985
Blankets	Pairs	2,242	1,640	1,975	1,232
Woollen sundries	Value	...	3,507	...	3,282
Miscellaneous piece-goods	,,	...	1,596	...	1,463
Metals—					
Copper, in various forms	Lbs.	778,400	20,345	179,091	4,228
Iron, ditto	,,	1,958,900	7,675	3,536,079	23,127
Lead, ditto	,,	3,104,400	27,354	3,986,646	17,076
Tin ditto	,,	772,000	35,522	631,840	23,423
Other metals	,,	...	13,517	642,979	10,454
Opium—					
Malwa	,,	362,910	250,920	343,817	190,632
Patna	,,	195,856	121,819	175,865	103,419
Benares	,,	83,228	49,919	60,539	34,186
Persian	,,	56,888	28,878	120,514	49,322
Foreign sundries—					
Clocks	Pieces	1,199	597	2,153	1,007
Window glass	Boxes	2,784	2,109	3,185	1,972
Isinglass	Lbs.	111,134	4,876	94,042	3,469
Lamps	Pieces	6,570	925	20,125	1,801
Needles	Mille	28,851	1,368	25,658	910
Matches, European	Gross	15,668	2,342	8,707	1,251
,, Japanese	,,	78,347	4,418	113,486	5,535
Kerosene oil	Gallons	394,100	15,679	640,470	16,950
Sugar, white	Lbs.	66,049	730	31,502	289
Other sundries	Value	...	133,459	...	187,434
Munitions of war	,,	...	122,776	...	30,010
Native produce—					
Beans and bean-cake	Lbs.	7,384,430	18,728	10,953,084	24,642
Cloth and nankeens	,,	371,933	27,459	303,996	2,107
Hemp	,,	954,200	13,956	956,658	11,662
Mats	Pieces	1,740,634	13,368	918,122	5,701
Raw silk and silk piece-goods	Lbs.	39,896	36,446	2,961	747
				38,053	30,696
Tobacco, prepared	,,	1,748,406	49,927	1,750,812	39,019
Varnish	,,	129,676	9,036	30,723	877
Fans	,,	374,418	3,062	350,179	1,778
Medicine	Pieces	1,074,485	21,461	1,124,921	18,908
Paper	Lbs.	150,688	3,741	129,191	2,459
Rice	,,	21,278,932	57,054	17,000,308	41,659
Unenumerated	,,	...	155,331	...	145,070
Total	...	...	1,464,502	...	1,241,204

Annex III.—Return of Principal Articles of Export from Foochow during the Years 1891–92.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
			£		£.
Tea	Lbs. ...	48,777,442	1,203,913	48,492,769	1,090,760
,, brick	,, ...	9,405,761	84,035	10,653,309	87,562
Poles...	Pieces ...	170,776	36,077	387,277	51,222
Timber	Value ...	...	6,431	...	7,414
Oranges	Lbs. ...	5,646,736	12,582	3,619,710	5,886
Paper	,, ...	110,566,197	110,350	6,641,276	55,220
Bambeo shoots	,, ...	8,428,049	60,927	6,922,972	40,289
,, splits	,, ...	2,366,937	2,877	1,368,468	1,434
Olives	,, ...	1,910,772	4,578	2,556,848	5,194
Other articles	Value ...	...	84,226	...	60,652
Total	...	...	1,605,996	...	1,405,633

Annex IV.—Table showing the Total Value of all Articles Exported from and Imported to Foochow to and from Foreign Countries during the Years 1891–92.

Country.	Exports.		Imports.	
	1891.	1892.	1891.	1892.
	£	£	£	£
Great Britain	450,178	371,265	..	613
Hong-Kong	134,209	123,360	682,275	715,911
India	555	1,812	12	..
Straits Settlements ..	5,425	4,417	..	2,348
Australia	280,637	323,845	..	..
New Zealand	11,277	8,758	..	..
South Africa	39,751	42,544	..	..
British America ..	12,133	8,070	..	..
Chinese ports	507,079	375,124	691,361	492,286
United States	97,410	110,350	..	427
Continent of Europe ..	59,590	29,964	75,464	9,386
Russia viâ Odessa ..	7,752	6,105	..	..
Japan	..	1	15,391	16,687
Other countries ..	..	18	..	3,546
Total	1,605,996	1,405,633	1,464,503	1,241,204

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF WUHU.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1048.

Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1893.

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CHINA.

WUHU.

Consul Ford to the Earl of Rosebery.

My Lord, *Wuhu, March* 20, 1893.

I HAVE the honour to transmit herewith my Report on the Trade of the Port of Wuhu for the year 1892.

I have, &c.

(Signed) COLIN M. FORD.

Report on the Trade and Commerce of Wuhu for the Year 1892.

ABSTRACT of Contents.

	PAGE
Introductory	1
Gross and net value of trade	2
Shipping	3
Native passenger traffic	4
Rafts	4
Exports	5
Direct export to foreign countries	7
Imports	7
Direct import from foreign countries	10
Transit trade	10
Revenue	10
Annexes—	
A.—Return of shipping	10
B.— „ principal articles of export	11
C.— „ „ import	12
D.—Total value of exports and imports	13

Introductory.

Introductory. It is very satisfactory to be able once more to record a steady advance in the foreign trade of this port. The returns compiled by the Chinese Imperial Maritime Customs—for access to which I have again to express my indebtedness to the Commissioner of Customs—show that in 1892, as compared with 1891, a year which was described in my last Report as the most prosperous that the port had experienced since it was thrown open to foreign trade, there was a very considerable increase, both in the

volume of the trade, and in its value stated, as it is in those returns, in Haikwan taels. Owing, however, to the continued and inordinate depreciation of silver, when the values are converted into sterling money, as is necessary for the purposes of this Report, the increase in value in 1892 over that in 1891 of over 6 per cent. shown by the customs returns disappears, and there is shown instead a falling-off in sterling value of nearly 2½ per cent. It will be necessary, therefore, in reading this Report to bear in mind that, where comparisons are made in it between the sterling values of the two years, there is a difference of *5d.* per tael, or nearly 8½ per cent., in favour of 1891, in the rates of exchange at which the Haikwan tael is converted into sterling.

The most encouraging feature of the trade is the great expansion in the import of foreign produce generally, which is especially marked in that of cotton goods of all kinds. This was, doubtless, the natural result of the enormous increase in the export trade of 1891.

Gross and net values of trade.

The following figures give the gross and net values respectively of the total trade of the port in vessels of foreign type, and in those Chinese vessels of which the office of the Chinese Imperial Maritime Customs takes cognisance, during the years 1892 and 1891:—

RETURN showing the Gross Value of Trade.

Description.	Currency.		Sterling.	
	1892.	1891.	1892.	1891.
	Hk. Taels.	Hk. Taels.	£	£
Imports..	5,707,427	5,004,941	1,284,171	1,230,381
Exports..	5,270,968	5,286,699	1,185,968	1,299,647
Total.. ..	10,978,395	10,291,640	2,470,139	2,530,028

RETURN showing the Net Value of Trade.

Description.	Currency.		Sterling.	
	1892.	1891.	1892.	1891.
	Hk. Taels.	Hk. Taels.	£	£
Imports..	5,679,849	4,985,648	1,277,966	1,225,638
Exports..	5,243,390	5,267,406	1,179,763	1,294,904
Total.. ..	10,923,239	10,253,054	2,457,729	2,520,542

It will be seen, therefore, that there was an increase in the net value of the import trade, in spite of the depreciation of

silver, of 52,328*l.*, or over 4¼ per cent., had the tael maintained its value the ratio of increase would have been nearly 14 per cent., while the net value of the export shows a falling-off of 115,141*l.*, or close on 9 per cent. (which in the silver value is not quite one-half per cent.). The net sterling value of the total trade fell off by 62,813*l.*, or nearly 2½ per cent., though a comparison of the values in silver currency shows an increase of over 6 per cent.

Shipping.

The total number of vessels entered and cleared, as will be seen from Annex A, rose from 2,985 to 3,202, an increase of 217 as compared with 1891, while the total tonnage increased by 536,901 tons. This increase was entirely in steam shipping, the entries and clearances of sailing vessels, all of which were under the Chinese flag, having fallen off by 91 in number, and by 6,207 tons in tonnage. Sailing vessels.

Entries of steamships during the year were 1,194, against 1,040 in 1891, an increase of 154 vessels, and, as the same numbers cleared in both years, the total increase in number was 308. The tonnage of the ships entered, and also of those cleared, in 1892, was 1,359,769 tons, against 1,088,215 in the preceding year, a total increase in tonnage, of entries and clearances combined, of 543,108 tons. This increase was almost entirely due to river steamers. Steam shipping.

During 1892 the number of British steamers that entered was 864, with an aggregate tonnage of 976,729 tons, and the same number, representing the same tonnage, cleared. In 1891 the entries and clearances were each 704, representing 703,158 tons, so that there was a total increase of 320 vessels under the British flag, and an increase in tonnage of 547,122 tons. It may be as well to point out that the above figures represent the aggregate of a number of visits paid to the port by a comparatively small number of separate vessels. During 1892 there were 46 British vessels employed in the trade of the port, actually one less than was the case in 1891, but their visits were more frequent. Of the increase above noted, 264 were river steamers and 56 ocean steamers, of which latter the entries and clearances each amounted to 96, of a total tonnage of 104,948 tons, during the year, against 68, representing a tonnage of 77,128 tons, in 1891. The British flag took the place of the German to a very large extent in the rice trade, and it covered more than 70½ per cent. of the total tonnage employed. Over 65½ per cent. of the total trade for the year was carried in British bottoms. British.

The aggregate number of the crews on board the 864 British vessels was, approximately, 31,300. These crews consist chiefly of Chinese seamen and firemen, and it brings out very forcibly the law-abiding nature of Chinese seamen as a class to have to record that in only two cases did complaints reach me during the Crews of British ships.

year of misconduct or insubordination on board British vessels. It is true that the river steamers do not, as a rule, stop at the port for much more than an hour or so at a time, so that there is but little opportunity of lodging complaints at the Consulate, but the ocean steamers frequently lie here for two or three days, and it certainly speaks well for their crews that there should be so little complaint.

Chinese steam shipping.

Steam shipping under the Chinese flag showed a slight falling-off in number, 228 vessels having entered and cleared, against 236 in 1891, though the tonnage increased from 287,183 to 288,280 tons.

German.

Entries and clearances under the German flag decreased greatly, the total being 32, with a tonnage of 28,700 tons, against 90, of 83,658 tons, in the previous year. The decline was due, in part, to the loss by collision of one of the vessels employed in the rice trade, when on a voyage from this to Canton in the month of May with a full cargo of rice.

Austrian.

The Austrian flag was again represented by the one vessel that ran in the previous year, which made 74 visits to the port during the year; and during a portion of the year a small

Norwegian.

steamer of 417 tons plied on the river under the Norwegian flag. Apparently her owners did not find the business that she did remunerative, for, after making 12 trips, she was withdrawn from the river trade.

The arrangement by which the three principal companies engaged in the Yangtze trade were to work amicably together, the renewal of which in the early part of 1892 was noticed in my last Report, did not last very long. Before the middle of the year the companies had fallen out, and competition between them became very keen, the rates, for Chinese passengers especially,

Chinese passenger traffic.

being reduced to a ridiculously low point. In consequence of this the number of Chinese travelling, which had fallen off when the fares were raised in the beginning of the year, increased again, and the total of Chinese passengers arriving was, for the year, 52,102—very little short of the number that arrived in 1891, while the outward Chinese passengers from Wuhu numbered no less thon 70,715. Of these, in spite of the reduced fares on the larger steamers, the small vessels not belonging to the three old established lines, carried fully their own share. There was a marked absence of the class of baggage thieves amongst the Chinese passengers, judging from the fact that not a single complaint of their having been at work reached me during the year.

Fortunately, no grave casualty to the vessels employed in the river trade has to be recorded for the year, but a good deal more

Timber rafts.

trouble was caused than usual by the large timber rafts that came down the river from above Hankow, to which reference was made by Mr. Gardner, Her Majesty's Consul at that port, in his Report on the trade of Hankow for 1891. Wuhu has for long been a distributing centre for the timber trade, many of these rafts being broken up here, and the timber sent up the creeks in various

directions. The trade seems to have been steadily growing in importance, and last year many more of these rafts came down the river than formerly. Owing to their unwieldy size, and to the strength of the current when the river is at its highest level —the time when the rafts chiefly come down—they are very unmanageable, and they became a source of constantly recurring danger to the shipping and hulks moored in the anchorage of this port, collisions at one time being of almost daily occurrence. Following the example set by Mr. Gardner, and recorded in his Report before alluded to, I induced the Chinese authorities, after the Austrian steamer "Chang Ou" had been very seriously damaged by one of these rafts, to introduce some rules similar to those adopted at Hankow, to be observed by the people in charge of the rafts, with a result that has so far been most satisfactory. These rules, however, were not promulgated till very near the end of the timber season, and I would not venture to pronounce a definitive opinion as to their efficacy till they have been tried through at least one busy timber season, and during the months when the rafts descend in greatest numbers.

Exports.

Exports. As was anticipated in my last report, the returns of the export trade during 1892 show a falling-off in value as compared with those for 1891, but, seeing that in the latter year there had been an increase of nearly 70 per cent. over the previous year, it is surprising that the decrease was not greater than it actually was. It was hardly to be expected that the enormous export of 1891 would be repeated in the following year, and it cannot but be regarded as very satisfactory to find that the value of the exports fell off by no more than 9 per cent. (of which decline all but ½ per cent. was due, not to a decreased trade, but to the fact that the Haikwan tael was not maintained at the level of 1891), and that it still exceeded that of the best year previous to 1891 by over 32 per cent., in spite of the depreciation of silver. The increase in 1891 was almost entirely due to the extraordinary expansion of the rice trade, the quantity of rice exported being Rice. nearly 123 per cent. in excess of that of the previous year, and it might reasonably have been expected that the export in 1892 would fall far short of the dimensions then attained. As it turned out, however, the quantity exported was only 13,466 tons less, a falling-off of less than 7 per cent., and, but for the check caused by the attempt made by the authorities in the first half of the year to levy an extra tax on rice, to which reference was made in my last report, the export would very probably have exceeded that of 1891, in spite of the fact that the crop in the districts north of the river was a comparative failure owing to drought. It will be remembered that, early in the year, the provincial authorities, thinking that they would find in the

rapidly increasing rice trade of the port, a fruitful and easily tapped source of revenue, proposed to impose a small tax on all rice brought to Wuhu for export, on the pretext that funds were required for the recently re-organised police establishment at the port. The rice merchants, while quite willing to make a monthly contribution towards the necessary expenses of that establishment, strongly objected to the amount of their contribution taking the form of a rate upon the amount of the business they might do during the year, which was what the officials wished to make it, and the result was a protracted struggle, which lasted until the middle of August, when the merchants gained their point. During all those months, however, the trade was in a very unsettled state, and more than once business threatened to come to a standstill altogether; indeed, in June, the Governor of the province threatened to prohibit the export of rice altogether unless the rice merchants came to terms, and actually telegraphed instructions to the Superintendent of Customs here to put the prohibition into force. The latter, however, saw too clearly the disastrous effect such a step would have on the prosperity of the port and on the customs revenue, for which he is, in a measure, responsible; and he had the courage to refrain from acting on the telegraphic instructions, going, instead, to the capital in person and interviewing the Governor, whom he succeeded in persuading to delay taking such an extreme step, at any rate till it could be seen how the year's crop was going to turn out, the ostensible reason given for the proposed prohibition being the necessity for guarding against a scarcity of rice being caused in the province itself by the export of such large quantities. He, at the same time, induced the Governor to make a change in the officials entrusted with carrying on the negotiations with the rice merchants, a step which soon resulted in a satisfactory settlement being arrived at. The crop in the districts on the south of the Yangtze turned out an extraordinarily good one, and there being a steady demand for rice in the south of the Empire, owing to scarcity there, the result was again a very large export, exceeding that of 1886, the largest in any year previous to 1891, by 49,639 tons in quantity and by 150,386*l.* in value. The proportion of the total value of the exports contributed by rice was 70·68 per cent.

Paddy.

The export of paddy fell off by 4,540 tons in quantity and by 13,600*l.* in value.

Raw silk.

After rice the most important and valuable articles of export from Wuhu are raw silk and silk piece-goods. In 1892 there was a slight falling-off in the export of the former of 2,024 lbs., which is not surprising when it is considered what the extent of the increase in the two preceding years had been. The export

Silk piece-goods.

of silk piece-goods, however, after falling-off slightly in 1891, jumped from 219,100 lbs. to 275,913 lbs., an increase almost as great as that noticed in 1890. In value there was an increase of 25,871*l.* This article contributed 16⅔ per cent. of the total value of the exports, against a little over 13 per cent. in 1891.

It is not often that a good wheat crop and a good rice crop occur in the same year, but this seems to have been the case in 1892 in this district, and the export of wheat was the largest recorded since the opening of the port. It exceeded that of 1891 by 46,267 cwts., an increase of over 238 per cent., the largest quantity exported in any one year previously having been 48,095 cwts. in 1889. Wheat.

This increase was, to some extent, counterbalanced by a large falling-off of over 53 per cent. in the export of beans, the curiously fluctuating nature of which was again exemplified. Beans.

Of other articles indicated in Annex B, raw cotton showed signs of having recovered itself after the short crop of 1891, the export being nearly double that of that year, though it still fell short of that of 1890, and feathers continued to advance steadily, there being a further increase of 3,485 cwts. over 1891. Raw cotton. Feathers.

In coal there was again a falling-off, considerably greater than in 1891, showing that the Chihchou mines are hardly coming up to the expectations formed in regard to them. Coal.

The export of joss-stick powder, too, showed, as was anticipated, a considerable decrease, but the most marked falling-off was in the export of tea, both black and green. In black tea it fell by over 44 per cent., from 242,470 lbs. to 135,756 lbs., while green tea, which during the two previous years had shown very considerable improvement, fell off from 67,261 lbs. to 17,730 lbs., a fall of over 73 per cent. Joss-stick powder. Tea.

Of articles not specially indicated in the table in Annex B, hemp, which some years ago used to figure comparatively largely in the returns, but of which the export in 1890 had fallen to 218 cwts., is coming more into prominence again, 1,322 cwts. having left the port during 1892, the highest figure attained since 1882, when the export was 1,407 cwts. Hemp.

The export of hides also showed signs of revival, and the inferior goatskins, the diversion of which to Chinkiang in 1891 was noticed in my report for that year, appear to be returning to Wuhu as their port of export, 33,289 pieces having been exported during the year, against 780 pieces in 1891. Hides and goat skins.

The value of the direct exports to Hong-Kong fell from 2,640*l.* to 1,284*l.*; they consisted chiefly of beans and medicines. Direct export to foreign countries.

Imports.

The net total value of the import trade of the year was 1,277,966*l.*, an increase of 52,328*l.* over that of 1891; and of this total, the import of foreign produce contributed 884,946*l.*, over 69 per cent. In 1891 the net value of the import of foreign produce was 823,962*l.*, so that there was an increase under this head of 60,984*l.*—nearly 7½ per cent.—in 1892. Foreign produce.

The import of Indian opium was practically the same as in 1891, the increase being only 1,630 lbs., or, say, 12 chests. The Opium.

value of the import, when converted in sterling, shows a falling-off of 24,291*l.*, though the value in currency shows a slight increase of 4,747 Haikwan taels. Prices ranged between 119*l.* and 108*l.* per chest, the average being about 115*l.*, a little lower than in 1891. Indian opium contributed a trifle over 31 per cent. of the net total value of the import of foreign produce, against 36⅓ per cent. in 1891. Two chests of Patna opium, valued at 230*l.*, and two of Persian, valued at 165*l.*, were included in the import, the rest being all Malwa.

Native opium. It has, as usual, been very difficult to obtain any reliable information about native opium. So far as I have been able to learn, the quantity of opium from the province of Kiangsu, imported during the year, was estimated at about 26,667 lbs., a falling-off of 33 per cent. as compared with the estimated import of 1891. This was all part of the previous year's crop, and all came, I understand, in the early part of the year, and was sold at a loss, as, for some reason or other, of which I can get no explanation, the demand for this variety had declined, and it could not command the same high prices in this market as in former years. Partly for this reason, and also owing to the fact that the crop of 1892 was seriously damaged by rains just at the time of tapping the plants for the juice, no Kiangsu opium was brought here during the latter part of the year, its place being taken entirely by the An Hui kind. The crop in this province is stated to have been about the average, though the import at Wuhu during the year is estimated at 80,000 lbs., a very large advance on that of 1891, which was put down at 14,667 lbs. The average price realised for An Hui opium was from 13 Wuhu taels to 14 Wuhu taels per 100 ounces (Chinese), the equivalent of about 45*l.* 10*s.* per picul of 133⅓ lbs. avoirdupois; the highest point touched being somewhat over 55*l.* per picul and the lowest about 41*l.* per picul. Such Kiangsu opium as came had to be disposed of at the same prices, and this resulted, it is said, in loss.

Cotton goods. Of the sum of 884,946*l.*, which was the net total of the value of foreign imports, cotton piece-goods contributed nearly 20 per cent., and cotton yarn more than 15¾ per cent., making the total contribution from cotton goods all but 36 per cent., against a little over 26½ per cent. in 1891. It will be seen from the table in Annex C that there was a very decided increase in the import of all the kinds of cotton piece-goods therein enumerated, with the exception of drills, and a like increase was shown in other classes of goods, not specified in the table, such as velvets, velveteens, and brocaded goods. Of grey shirtings 163,311 pieces were imported, against 136,236 pieces in 1891, and 105,341 pieces in 1890, but again this increase was eclipsed by the prodigious growth in the import of Indian yarn, which rose from 1,225,067 lbs. in 1891 to 4,036,133 lbs. Excluding opium, the net value of the import of all other foreign produce was 610,002*l.*, against 525,727*l.* in 1891. Of this total cotton piece-goods contributed 176,879*l.* and cotton yarn 140,133*l.*, or 29 per cent. and 23 per cent. respectively. In other words, more than half of

Grey shirtings.

Yarn.

the net value of imports of foreign produce, excluding opium, was due to the import of cotton goods alone.

Woollen goods.

In woollen goods, which in the previous year showed but a slight improvement on 1890, there was a like satisfactory advance under nearly all headings, and a total increase in value of 3,000*l.*, notwithstanding the heavy fall in exchange. Of the above total of 884,946*l.* woollen goods contributed 3·78 per cent., much the same proportion as they did in 1891, and of the total value of foreign imports, excluding opium, nearly 5½ per cent.

Metals.

The import of metals, which had fallen-off considerably in 1891, also showed a decided improvement, the value of all kinds having increased from 16,110*l.* to 18,975*l.* The advance is most notably in tin slabs, of which 842 cwts., valued at 3,710*l.*, were imported, against 215 cwts., valued at 1,033*l.*, in 1891; in tin plates, which increased from 291 cwts., valued at 314*l.*, to 502 cwts., valued at 498*l.*; and in lead, of which the import was 2,183*l.*, valued at 1,602*l.*, against 1,334 cwts., valued at 1,072*l.*, in 1891. The proportions of the total value of foreign imports, including and excluding opium respectively, were 2·14 per cent. and 3·11 per cent.

Foreign sugar.

The import of foreign sundries, generally, fell off, in sterling value, from 259,242*l.* to 240,545*l.*, though the silver value showed a not inconsiderable increase. Of this latter total foreign sugar, the import of which was 99,963 cwts., against 99,685 cwts. in the previous year, contributed 32⅓ per cent. In 1891 the proportion derived from this article was not quite 30 per cent.

Kerosene oil.

The large import of kerosene during 1891 was, apparently, in excess of the demand, for in 1892 there was almost as great a decline as there had been increase in 1891, as compared with the previous year. The total quantity imported was 363,350 gallons less than in 1891, though still 125,000 gallons in excess of the import of 1890. American oil fell from 1,043,120 gallons to 800,120 gallons, while Russian oil (which again lost ground in comparison with American, furnishing only a little over 15½ per cent. of the total quantity imported, against nearly 26 per cent.) fell from 268,440 gallons to 148,000 gallons.

Matches.

The import of matches continues to grow apace. The year 1891 showed an increase of 13,740 gross over the previous year, and in the year under review there was a further increase of 23,370 gross. In addition to the matches of foreign make there was in 1892 an import of 12,300 gross of matches made in Shanghai, which appears amongst the imports of native produce. A very large proportion of the foreign made matches comes from Japan.

Foreign produce.

The value of the import of other articles of foreign produce not specially indicated in Annex C increased by 4,548*l.*

Native produce.

The import trade in native produce showed signs of a revival after the relapse experienced in 1891, though a comparison of the sterling values for the 2 years—393,020*l.* against 401,676*l.*—would seem to point to a different conclusion. The customs returns, however, show a considerable advance, though the total

still fell short of that attained in 1890. The import of native cotton cloth was the largest yet recorded, being 1,455,420 lbs., valued at 95,796*l.*, against 1,379,590 lbs., valued at 90,467*l.*, in 1891, and 1,396,239 lbs., of the value of 95,531*l.*, in 1890.

Native sugar.

Native sugar, the other article of most importance in this part of the trade, again showed a decline from 125,983 cwts. to 123,732 cwts.

Piece-goods made at Shanghai.

It is worth noticing that, amongst the imports of native produce for 1892, there appears 2,010 pieces of drills, valued at 1,185*l.*, and 140 pieces of sheetings, valued at 84*l.*, which were manufactured at Shanghai by the Chinese Cotton Mill Company.

Direct import from foreign countries.

There was not any import during the year direct from foreign countries.

Transit trade inwards.

A marked advance in the value of the transit trade inwards has again to be recorded, although the number of the transit passes issued during the year was less by 133 than in 1891—2,458 against 2,591. The value of the goods covered by these passes was 318,579*l.*, against 240,977*l.*, a gain of over 32 per cent. Of this total, yarn, the quantity of which increased from 1,160,266 lbs. to 3,523,666 lbs., contributed 43·8 per cent.; sugar, 23·58 per cent.; piece-goods, 14·9 per cent.; and kerosene oil, 5·4 per cent.

Transit trade outwards.

No produce was brought down from the interior under transit passes during the year.

Revenue.

The revenue collected by the Imperial Maritime Customs did not quite come up to that of 1891, being 158,695*l.* against 174,615*l.*, but it compares favourably with that of any other previous year.

Annex A.—Return of all Shipping at the Port of Wuhu during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	864	976,729	864	976,729
Chinese	407	24,082	228	288,280	635	312,362
German	...	...	16	14,350	16	14,350
Austrian	...	...	74	75,406	74	75,406
Norwegian	...	...	12	5,004	12	5,004
Total	407	24,082	1,194	1,359,769	1,601	1,383,851
,, for the year preceding ...	433	26,999	1,040	1,088,215	1,473	1,115,214

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	...	...	864	976,729	864	976,729
Chinese	407	23,917	228	288,280	635	312,197
German	...	...	16	14,350	16	14,350
Austrian	...	...	74	75,406	74	75,406
Norwegian	...	...	12	5,004	12	5,004
Total	407	23,917	1,194	1,359,769	1,601	1,383,686
,, for the year preceding ...	472	27,207	1,040	1,088,215	1,512	1,115,422

Annex B.—RETURN of the Principal Articles of Export from Wuhu during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.*	Quantity.	Value.†
			£		£
Beans	Cwts. ...	33,295	7,735	62,239	13,853
Coal	Tons ...	11,221	8,095	13,769	10,826
Cotton, raw	Cwts. ...	7,274	9,982	4,201	6,518
Feathers	,, ...	18,455	20,238	14,970	19,574
Joss-stick powder	Lbs. ...	449,672	830	1,306,437	1,090
Paddy	Tons ...	1,484	3,867	6,024	17,466
Rice	,, ...	188,081	833,515	201,547	958,888
Silk, raw	Lbs. ...	116,904	36,602	118,928	40,892
,, piece-goods	,, ...	275,913	196,542	219,100	170,671
Tea, black	,, ...	135,756	5,414	242,470	11,363
,, green	,, ...	17,730	578	67,261	2,521
Wheat	Cwts. ..	65,675	11,271	19,408	4,440
Other articles	...	...	45,094	...	36,802
Total	...	...	1,179,763	...	1,294,904

* Exchange: Haikwan tael = 4*s.* 6*d.* † Exchange: Haikwan tael = 4*s.* 11*d.*

RECAPITULATION.

Description.	Value.	
	1892.	1891.
	£	£
Net total exports, as above ...	1,179,763	1,294,904
Re-exports of foreign produce ...	3,320	2,156
,, native ,, ...	2,885	2,587
Grand total	1,185,968	1,299,647

Annex C.—RETURN of the Principal Articles of Import into Wuhu during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.*	Quantity.	Value.†
			£		£
Foreign produce—					
Opium	Lbs. ...	349,395	274,944	347,764	299,235
Cotton goods—					
Shirtings, grey	Pieces ...	163,311	78,156	136,236	70,922
,, white...	,, ...	25,324	12,412	22,722	12,242
T-cloths	,, ...	22,400	7,176	20,272	7,034
Drills, of all kinds	,, ...	13,181	7,214	13,963	8,211
Sheetings, English	,, ...	76,671	34,849	69,810	34,649
Chintzes, &c.	,, ...	17,227	5,893	11,287	4,237
Turkey-reds	,, ...	19,236	7,249	16,040	6,947
Handkerchiefs	Dozens ...	44,939	4,503	36,887	3,925
Yarn, English	Lbs. ...	64,800	2,553	54,800	2,315
,, Indian	,, ...	4,036,133	137,580	1,225,067	53,900
Other cotton goods	...	...	19,427	...	14,515
Woollen goods—					
Camlets, English	Pieces ...	4,046	8,406	4,019	9,318
Long ells	,, ...	9,175	9,467	8,693	9,967
Other woollen goods	..	...	15,597	...	11,193
Metals, of all kinds	...	...	18,975	...	16,110
Sundries—					
Bags, mat, hemp, and straw ...	Pieces ...	4,682,754	32,569	4,658,135	37,680
Matches	Gross ...	205,635	11,029	182,265	10,845
Oil, kerosene	Gallons ...	948,210	26,493	1,311,560	41,974
Sugar, foreign	Cwts. ...	99,963	77,680	99,685	80,517
Other articles	...	...	92,774	...	88,226
Native produce—					
Cotton cloth, native	Lbs. ...	1,455,420	95,796	1,379,590	90,467
Fans, paper	Pieces ...	611,879	6,535	896,654	7,034
Sugar	Cwts. ...	123,732	101,287	125,983	110,660
Other articles	...	...	189,402	...	193,515
Total	...	...	1,277,966	...	1,225,638

* Exchange: Haikwan tael = 4s. 6d. † Exchange: Haikwan tael = 4s. 11d.

RECAPITULATION.

Description.	Value.			
	1892.		1891.	
	£	£	£	£
Net total imports, as above	...	1,277,966	...	1,225,638
Add re-exports of foreign produce ...	3,320	...	2,156	..
,, native ,, ...	2,885	...	2,587	...
		6,205		4,743
Grand total	...	1,284,171	...	1,230,381

Annex D.—TABLE showing the Total Value of all Articles Exported from Wuhu and Imported to Wuhu from and to Foreign Countries during the Years 1892–91.

Country.	Exports.		Imports.	
	1892.*	1891.†	1892.*	1891.†
	£	£	£	£
Hong-Kong . ..	1,284	2,640	..	6,410
Total	1,284	2,640	..	6,410

* Exchange: Haikwan Tael = 4*s.* 6*d.* † Exchange: Haikwan Tael = 4*s.* 11*d.*

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF CHINKIANG.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 905.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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CHINA.

CHINKIANG.

Consul Carles to the Earl of Rosebery.

My Lord, *Chinkiang, March* 30, 1893

I HAVE the honour to forward herewith my Report on the Trade of this Port for the year 1892, in which I have also embodied some Statistics and Remarks on the Trade of 1891, as these do not appear to have been furnished in my absence.

I have, &c.

(Signed) W. R CARLES.

Report on the Trade and Commerce of Chinkiang for the Year 1892, *with Statistics and Remarks on Trade of* 1891.

ABSTRACT of Contents.

	PAGE
Silver and sterling values of trade, 1890–92	2
Table of imports and exports for 1890–92	2
Imports—	
Indian yarn	2
Cotton piece-goods	2
Metals	3
Kerosene oil	3
Native imports	3
Opium	3
Exports—	
Grain	4
Lily flowers	4
Seeds	4
Shipping	4
Lorchas	4
General remarks	4
Tables—	
Principal articles of import	9
„ „ export	10
Shipping returns	10
Trade returns	11

NOTE.—The value of the Haikwan tael is taken at 5*s.* 2½*d.* in 1890, 4*s.* 11*d.* in 1891, and 4*s.* 4½*d.* in 1892.

Net value of trade.

The net value of the trade of Chinkiang for 1892 was 3,690,973*l.* (16,953,749 Haikwan taels), showing a continuous decrease in sterling values side by side with an increase in silver values since 1890, the respective amounts being 3,890,411*l.* (15,825,400 Haikwan taels) in 1891, and 3,974,116*l.* (15,214,166 Haikwan taels) in 1890. In silver values for the last two years are the highest on record, and that of 1890 had only been surpassed once—in 1881, 15,823,389 Haikwan taels (4,351,421*l.*).

The following table shows the comparative values of imports and exports for the past three years:—

Table of imports and exports.

THE following Table shows the Comparative Values of Imports and Exports during the Years 1890–92.

Description.	Value.		
	1890.	1891.	1892.
	£	£	£
Net total foreign imports ..	2,100,290	2,261,678	2,154,562*
„ native „ ..	1,528,772	1,217,045	985,296
Total exports	345,053	411,687	551,114
Net value of trade ..	3,974,116	3,890,411	3,690,973

* Calculated at 1891 rates, the sterling value would be 2,432,903*l.*

While imports have thus maintained a satisfactory position there has at the same time been a marked and steady increase in exports. On the other hand, native imports show a falling-off.

Increased import of Indian yarn.

The marked feature in the trade of the last two years has been the immense increase in the import of Indian yarn. The increase in 1892 in this article almost compensates for the decrease in sterling value shown in all the principal articles of import in 1891, and more than covers it if opium is excluded. In two years the import of Indian yarn has risen from a total of 15,384 cwts., with a value of 73,451*l.*, to a total of 101,064 cwts., with a value of 388,161*l.*

General decrease in cotton piece-goods.

It seems but natural that there should have been a corresponding decrease in cotton goods, and this will be found to have been the case, though in 1891 T-cloths and chintzes showed a temporary improvement, rising from 132,064 and 80,711 pieces respectively to 144,219 and 110,569 pieces. An increase in price in 1892 of, in grey shirtings and T-cloths, 2·6*d.* per piece, and in white shirtings and English drills of 10·45*d.* per piece, has somewhat checked the fall in total values, due to diminished importation; but the figures given in the table of the principal imports (Annex A.) seem to discountenance the theory entertained by some that an increased import of Indian yarn need not affect the import of foreign cotton goods. The total import for the three years is—in 1890, 2,017,219 pieces, with a value of 951,618*l.*; in

1891, 1,940,879 pieces, with a value of 840,464*l.*; and in 1892, 1,799,089 pieces, with a value of 695,856*l.* Grey shirtings show decline of 64,635 pieces since 1891, and of 172,900 pieces since 1890. White shirtings, the import of which in 1891 had improved to the extent of 5,881 pieces, in 1892 were 21,743 pieces below the figures of 1890. Dyed shirtings fell from 46,342 pieces in 1890 to 18,418 pieces in 1891, and to 12,689 pieces in 1892. T-cloths, which showed an improvement in 1891, in 1892 lost almost twice the amount of the gain in the previous year. Most other cotton goods show the same unfavourable results. In chintzes there has been an improvement in both the last two years on 1890, but the returns for 1892 show a large falling-off from those of 1891. Notwithstanding these unfavourable figures, the large advance in the import of yarn and an improvement in some of the less important articles, *e.g.*, Turkey-red cottons, cotton lastings, and dyed shirtings (short cuts), raises the total silver value of cotton goods more than 1,000,000 taels above that of 1891.

Metals.

In metals the imports for the past three years were 162,223 cwts. in 1890, with a value of 84,108*l.*; 182,828 cwts. in 1891, with a value of 83,693*l.*; and 163,428 cwts. in 1892, with a value of 51,012*l.* The decline has been mainly in nail rod iron, the value of which has fallen from 29,312*l.* in 1890 to 27,131*l.* in 1891 and 23,606*l.* in 1892. The import of old iron rose from 65,835 cwts. in 1890 to 80,796 cwts. in 1891, but fell to 70,087 cwts. in 1892. Lead pigs show an advance from 14,124 cwts. in 1890 and 12,762 cwts. in 1891 to 15,239 cwts. in 1892, with values of 10,814*l.* in 1890, 7,904*l.* in 1891, and 9,755*l.* in 1892. Most other metals show a slight decrease in quantity and value.

Kerosene.

Kerosene oil has at last failed to give an advance on the previous year, owing partly to excessive imports in 1891 and partly to official prohibition of its use. It is worthy of note that Russian oil does not seem recently to have gained favour at the expense of the American, the proportion between the two remaining much the same as in 1891.

Native imports.

The total import of native and foreign sugars is below that of 1891, though higher than that of 1890. Vegetable tallow and tobaccos show a continuous decrease. Wood poles have advanced considerably on 1890. The import of beans increased concurrently with an increase of export.

Opium.

Opium shows a steady and almost uninterrupted decrease. The import in 1892 was less than half of that in 1887, when the new rules enforcing the provisions of the additional articles to the Chefoo Agreement were introduced, and about one-fourth of what it was in 1883. As the dry season had been disastrous to the native crop, a larger import might have been looked for, but the low figures are perhaps partly due to the distress prevalent in the province, and partly to an increased import to the neighbouring port of Wuhu.

Adulteration of opium.

Recent action of the customs in preventing opium, adulterated at Chinkiang, from being taken inland under foreign opium certi-

ficates, was prophesied to be likely to affect seriously the importation of Indian opium; but as the adulterated article must have, to some extent, supplanted the genuine drug, there appears good reason for believing that the opposite result may be looked for. At present the only visible effect produced is that a few small opium dealers have left Chinkiang.

Increased exports. The exports for the years 1891–2 have been considerably above the average, and those in 1892 have only twice—in 1872 and 1881 —been exceeded. The total export of rice, beans, and wheat amounted in value to 115,043*l.* in 1892, and to 148,751*l.* in 1891.

Grain.

Lily flowers. The export of lily flowers in 1892 was of more than double the value and almost double the quantity of that in 1890. The dry season of 1892 was very encouraging to the production of ground-

Seeds. nuts, melon seeds, sesamum seeds, and ground-nut oil, and the total sterling value of the export in 1892 was 210,369*l.*, as compared with 30,348*l.* in 1891, and 29,432*l.* in 1890. Silk piece-goods also show a rise in quantity in the last two years.

Shipping. The increase in tonnage of shipping has been very considerable, rising from 2,533,482 tons in 1890 to 2,732,061 tons in 1891 and 3,163,367 tons in 1892. The proportion of British shipping to the whole was $\frac{63}{100}$ in 1890, $\frac{59}{100}$ in 1891, and $\frac{65}{100}$ in 1892, while that of Chinese shipping was $\frac{31}{100}$ in 1890, $\frac{28}{100}$ in 1891, and $\frac{25}{100}$ in 1892, the tonnage under other flags in 1892 being less than one-tenth of the whole. The proportionate value of the cargo carried under the British flag was $\frac{59}{100}$ in 1890, $\frac{56}{100}$ in 1891, and $\frac{60}{100}$ in 1892.

Lorchas. It is noteworthy that lorchas under a foreign flag have now almost disappeared from the Yangtze, there being at present but one left.

General. There are several features in the trade of Chinkiang which demand especial notice. It is a striking fact that greater advance

Improved trade in bad years. should be shown in the trade of Chinkiang than at any other port in China in 1892, a year in which the agricultural distress

Local distress. near Chinkiang was officially reported to be so great that Imperial grants were bestowed for its relief. It is noteworthy also that the exports were markedly in advance of those of the past 10 years, and that a large portion of the exports were of food stuffs, such as rice, wheat, and beans. This does not denote that the distress was fictitious. On the contrary, the harvests were exceedingly bad, and the latter harvest especially was said to have been a complete failure from long-continued drought and locusts. The condition of the people, however, in this part of China is vastly more comfortable than in the northern provinces, and I think that I am not overstating the case in asserting that the distress here would not in the north have been regarded as very severe. Where people are used to calamity they are able to bear it in a way that impresses strangers with awe and admiration, while those who are used to easier times are quite unable to cope with distress, and absolutely need assistance with which their stronger fellows could dispense.

Diminished luxuries. The only points in the trade returns which seem to indicate

the presence of poverty are the falling-off in the importation of luxuries, such as "bêche-de-mer" and opium (though the native crop was very short), and a decreased consumption of piece-goods.

Locusts.

The vast extent of reed growing country on the banks of the Yangtze saved the people to a large extent from feeling the full effect of the locusts' ravages. These insects are said to have settled by preference in the reed beds, and to have stripped them of all their leaves, and the immense stores of food thus furnished them prevented the havoc to crops and trees reaching the dimensions which otherwise might have been anticipated.

Discrepancy between exports and imports.

The large discrepancy in the values of exports and imports at Chinkiang always excites remark. In 1892 the total value of imports, native and foreign, was 3,139,858*l.*, while that of exports was only 551,114*l.* The exports of treasure exceeded the import by 230,893*l.* Including treasure, therefore, the total exports amount to 782,007*l.*, leaving a balance of 2,357,851*l.* to be accounted for. Unquestionably a large portion of this is met by treasure exported, but without coming under the cognisance of the customs. Further, there is a large export of grain, &c., in native junks, which is not included in the foreign customs returns; and a third large item is furnished by the export of salt, which also is excluded from foreign supervision. The value of these items is probably in the inverse order to that in which I have mentioned them, and it is presumably the case that exports and imports balance each other, though the total of imports is further increased by goods imported under transit pass from Shanghai.

Foreign goods imported under transit pass.

The goods thus brought from Shanghai consist mainly of metals, the carriage of which by steamer is too costly to permit of their conveyance, except in native craft, and of inflammable articles, such as kerosene and matches. The total value of goods thus sent to Chinkiang, Nanking, Yangchou, Huai-an, and Hsüchou amounted in 1891 to 43,361*l.*, and the total of foreign imports into this district for that year is therefore 2,305,039*l.*

Steady rise in foreign imports.

The steady rise in the value of foreign imports since the opening of this port is the more satisfactory in that many incidents have occurred to check or divert the tide. But neither the opening to trade of Wuhu* in 1876 nor the steady decline in the opium trade from nearly 5,750,000 taels in 1879 to 1,333,333 taels in 1892 has more than temporarily affected the total of trade, and the increase in other foreign imports has in the long run more than made good the falling-off in opium.

Statistics of trade since opening of port.

In order to give a clear idea of the advance in foreign imports and of the condition of the trade generally I have drawn up a table of the returns of trade from the earliest year for which figures are accessible to me, and have attached it as Annex D. to this report. A glance at the table shows how continuous has been the increase in the net total value of trade for the past 14 years,

* The net value of the trade at Wuhu in 1891 was over 10,000,000 taels.

despite the decline of the opium trade, the lack of vitality in the native import trade, and the comparative insignificance of exports.

Development of trade independent of foreign enterprise.

The development latterly has been entirely due to natural causes, and unaided locally by foreign enterprise. Foreign merchants have not been unfortunate in Chinkiang, but trade in the port has generally been regarded as impossible on account of the alleged preference of Chinese for the Shanghai market. The port was opened in 1861, and in the first Consular report (that of 1865) on its trade Consul Harvey wrote, "the port continues to remain neither more nor less than a calling station for the foreign steamers," and he alludes to the steady absorption by natives of the business which "in former years" was entirely in the hands of foreigners.

Advantageous position of Chinkiang.

The verdict seems to have been accepted by the foreign community in China, and the port as a centre of distribution was condemned. But there are reasons to question whether the decision is well founded, for the port possesses advantages which are not found in combination elsewhere in China, and almost every Consul and Commissioner of Customs who has resided here has considered the place capable of large development.

Its position in the Yangtze makes Chinkiang, rather than Shanghai, the natural place of import for all goods shipped up the river, for their diversion to Shanghai necessarily entails loss of time and various charges for transhipment, &c. The port is accessible by ocean steamers at all seasons of the year and at all states of the tide. Situated at the junction of the Grand Canal with the Yangtze, its advantages for the distribution of goods into the interior are extraordinarily great.

Foreign imports not shipped direct.

As regards foreign imports it must be cheaper to lay down goods in Chinkiang direct than to ship them to it from another port, and yet the almost invariable rule is that steamers coming from Hong-Kong or from England en route to Hankow or Wuhu come in ballast, and that merchandise from the coast or abroad passes through Shanghai and is brought thence by passenger steamers, which arrive about nightfall, and discharge cargo in the dark.

Exports largely carried in junks.

Exports from Chinkiang are mainly for consumption in China, but Shanghai, Swatow, Hong-Kong, and Canton are the only seaports to which there is direct steamer carriage, and the expenses of transhipment appear to give the carriage of goods, intended for intermediate ports, to junks, unless a sudden demand causes a rise in price which will cover these expenses.

Export transit pass system.

It is to the development of the export trade under transit pass that the mercantile community at Chinkiang have given their chief attention. Despite the favourable comments on the working of the present transit pass system, which are to be met with in all the official reports on the trade of Chinkiang, I am inclined to regard its importance as overrated. The products of the Chinkiang district are eminently suited for Chinese rather than foreign consumption. Of the Chinkiang exports, enumerated in the customs returns for 1892, only 45 are shipped from Shanghai to

Hong-Kong and foreign countries, and some of these only in minute quantities. Exports under transit pass in 1891 were of the value of 120,663*l.* out of a total export (excluding re-exports) of 414,146*l.*, or, in other words, bore the proportion of $\frac{29}{100}$ to the whole. In 1892 the proportion was $\frac{27}{100}$.

Foreign customs returns do not show all exports.

The improvement in exports in the last 30 years is trifling so far as shown by the customs returns, but if, as in view of the discrepancy between the value of imports and exports, it seems but natural to conclude, this is due in large part to steamers not having as yet obtained a large share in the carrying trade of exports, there would appear to be good ground for the steamship companies to consider whether they have done all in their power to acquire this trade.

Wharves needed.

At the opening of this port steamers were much embarrassed by the strength of the current off Chinkiang, which led to hulks being placed on the opposite side of the river; but of late the direction of the current has changed, and the hulks are now very conveniently placed and connected with the shore by pontoons. The accommodation provided by them is, however, insufficient for the prompt service even of the steamers of the companies to which the hulks belong, and the provision of wharves is necessary to the extension of trade.

Disturoed state of Chinkiang in 1891.

The year 1891 was one of great disquietude in the Chinkiang district, as elsewhere in the Yangtze Valley. A disturbance in March among the Manchu soldiery in Chinkiang led to the withdrawal of the General in command, after an inquiry into the circumstances by a Special Commission.

Attacks on Roman Catholic establishments.

On May 2 an anti-Roman Catholic outbreak occurred at Yang-chou. The employment of a strong body of troops prevented much damage being done there; but, following on the riot at Wuhu, an attack was made on June 1 on the Jesuit establishment at Tan-yang, on June 8 on that at Wu-hsi, on June 19 on chapels near Kiang-zin, and on June 29 at Ju-kao. The destruction wrought at Tan-yang and Wu-hsi was complete. Even the graves in the cemeteries were opened, but no lives were lost. The claims for damage done, which were paid by the Chinese authorities, were 12,700 dol. at Tan-yang, 66,000 dol. at Wu-hsi, and about 6,800 dol. at Ju-kao.

The Mason episode.

The Imperial edict, published at Nanking on July 6, produced a quieter feeling; but in September, 1891, the excitement culminated, on the arrest of Mr. Mason, a member of the customs service, on charges implicating him in the proceedings of Chinese secret societies. Childishly mischievous as his proceedings were regarded by many, the Chinese authorities manifested great uneasiness at the connection of a foreigner with secret societies.

Anti-missionary movement artificially produced.

As to the anti-missionary movement, though so widely spread, it seems to have been fanned into existence rather than to have had a natural birth. In 1890 the missionaries were still enjoying the popularity which they had won by their hard exertions in the relief of famine. At the Missionary Conference at Shanghai in May, 1890, Dr. Edkins's paper on "Current Chinese Literature;

How Far is it Antagonistic to Christianity?" was treated rather as an academic discourse than as one affecting the hour; and the exception taken to a sentence in one of the meeting's draft reports, that "the whole of China is now open to missionary effort," only on the ground that Hu-nan and Kuang-si were not yet open, proves, in conjunction with the absence of any remark on anti-missionary feeling, how favourably missionaries then regarded the situation.

Outcome good.

The outcome of the whole has been beneficial to Chinkiang in the increased sense of responsibility entertained by officials for the maintenance of order. The tranquillity of the place seems now more assured than at any time since the beginning of 1889; but so long as the Chinese authorities have no police force and cannot trust their troops to act against a mob, the security of the moment is necessarily liable to severe shocks.

Withdrawal of licenses from Chinese public houses in concession.

The alarm occasioned in 1891 led the Municipal Council to cease the issue of licenses to hotels and other places of resort by Chinese, which had long been a discredit to the British concession. The then Acting-Consul, Mr. E. L. B. Allen, energetically supported the Council and carried their resolution into effect in 1892 to the great benefit of the foreign community.

Annex A.—Return of Principal Articles of Import into Chinkiang during the Year 1892.

Articles.		1892.*		1891.†		1890.‡	
		Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
			£		£		£
Foreign—							
Opium	Chests	2,984	302,762	3,172½	370,112	3,423	426,095
Shirtings, grey	Pieces	1,613,965	397,347	1,078,598	464,194	1,186,805	556,293
„ white	„	110,682	60,241	138,306	78,204	132,425	82,739
„ dyed	„	12,689	7,459	18,418	11,773	46,342	35,142
T-cloths	„	123,350	22,683	144,219	42,577	132,064	41,270
Sheetings, English	„	76,588	41,735	92,575	55,420	99,231	62,019
Chintzes	„	92,172	26,159	110,564	32,949	80,711	26,383
Cotton lastings	„	43,633	28,333	45,355	27,792	60,909	41,412
Nail rod iron	Cwts.	56,118	23,606	59,781	27,131	60,842	29,312
Bêche-de-mer	„	2,652	18,696	2,968	24,572	3,210	28,574
Kerosene oil, American	Gallons	1,520,670	31,864	1,897,710	46,297	1,559,180	49,974
„ Russian	„	1,175,950	23,180	1,370,592	33,054	900,850	27,031
Sandalwood	Cwts.	30,211	37,572	35,630	41,577	36,181	39,631
Sugars	„	467,621	314,777	550,092	389,395	365,444	288,471
Yarn, Indian	„	101,064	388,161	31,067	141,428	15,384	73,451
Native—							
Wood oil	„	167,159	184,164	188,954	136,987	172,309	190,784
Sugars	„	164,083	103,857	222,967	180,394	381,249	223,208
Vegetable tallow	„	87,478	115,242	86,121	128,312	67,856	123,161
Tobacco	„	87,898	129,709	100,460	210,189	92,208	193,100
Wood poles	Pieces	192,478	83,808	229,599	112,886	136,771	71,235
Beans	„	223,855	65,505	61,768	20,410	23,437	7,178

* Exchange at 4*s.* 4¼*d.* per Haikwan tael. † Exchange at 4*s.* 11*d.* per Haikwan tael. ‡ Exchange at 5*s.* 2½*d.* per Haikwan tael.

Annex B.—Return of Principal Articles of Export from Chinkiang during the Years 1890–92.

Articles.	1892.		1891.		1890.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Cwts.	£	Cwts.	£	Cwts.	£
Beans	143,955	42,151	162,855	53 923	36,126	11,110
Rice	132,898	43,488	236,732	77,001	276,457	82,200
Wheat	160,775	29,404	65,639	17,827	110,390	27,416
Silk piece-goods	976	62,536	947	68,585	797	63,927
Lily flowers	104,823	145,949	56,910	67,010	64,106	55,649
Ground nuts	270,068	69,150	15,308	5,253	7,795	2,896
Melon seeds	42,620	35,998	5,351	5,424	7,466	6,534
Sesamum seeds	158,095	75,478	41,515	13,670	23,530	15,504
Ground nut oil	34,605	29,743	3,802	6,001	3,890	4,498

Annex C.—Return of all Shipping at the Port of Chinkiang during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	11	4,413	970	1,038,625	981	1,043,038
Chinese	720	101,255	236	291,988	956	393.243
Other nationalities	6	1,164	140	144,205	146	145,369
Total	737	106,832	1,346	1,474,818	2,083	1,581,650
,, 1891 ...	700	99,461	1,186	1,266,066	1,886	1,365,527
,, 1890 ...	869	113,583	1,165	1,153,132	2,034	1,266,715

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons
British	11	4,413	970	1,038,625	981	1,043,038
Chinese	723	101,322	236	291,988	959	393,310
Other nationalities	6	1,164	140	144,205	146	145,369
Total	740	106,899	1,346	1,474,818	2,086	1,581,717
,, 1891 ..	706	100,468	1,186	1,266,076	1,892	1,366,534
,, 1890 ...	868	113,635	1,165	1,153,132	2,033	1,266,767

Annex D.—Return of Trade at Chinkiang for the Years 1863–92, reckoned in Thousands of Haikwan Taels.

Year.	Foreign Imports, excluding Opium.	Opium.	Native Imports.	Exports.	Total Value of Net Trade.
1863	?	360	?	690	5,258
1864	62	943	4,073	1,209	6,287
1865	284	3,041	4,590	952	8,867
1866	288	3,165	2,426	274	6,153
1867	574	2,762	2,084	386	5,806
1868	1,126	2,530	2,037	442	6,135
1869	2,064	2,914	2,183	315	7,476
1870	2,972	3,496	1,987	305	8,760
1871	3,813	3,382	2,182	742	10,019
1872	4,937	4,001	2,191	2,975	14,104
1873	4,345	4,375	2,227	682	11,629
1874	4,316	5,055	2,068	1,029	12,468
1875	4,216	4,834	2,324	1,029	12,403
1876	2,884	4,428	2,592	1,088	10 992
1877	2,947	4,769	2,469	1,014	11,199
1878	3,635	5,633	3,425	2,164	14,857
1879	4,174	5,727	3,000	775	13 764
1880	3,612	5,291	3,485	1,909	14,297
1881	3,911	5,052	3,333	3,527	15,823
1882	4,131	4,868	3,323	2,416	14,738
1883	3,613	4,654	3,035	1,056	12,358
1884	3,885	4,387	2,837	976	12,085
1885	4,736	3,641	3,056	1,448	12,881
1886	4,687	2,999	3,283	1,847	12,816
1887	6,132	2,952	3,577	1,725	14,386
1888	5,489	1,915	4,002	1,403	12,809
1889	5,173	1,476	4 338	1,364	12,351
1890	6,324	1,626	5,839	1,325	15,214
1891	7,694	1,505	4,951	1,675	15,825
1892	8,523	1,369	4,526	2,531	16,954

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF NEWCHWANG.

Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1893.

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CHINA.

NEWCHWANG.

Consul Bullock to the Earl of Rosebery.

My Lord, *Newchwang, February* 23, 1893.

I HAVE the honour to forward herewith my Report on the Trade of Newchwang for the year 1892.

I have, &c.

(Signed) T. L. BULLOCK.

Report on the Trade and Commerce of Newchwang for the Year 1892.

ABSTRACT of Contents.

	PAGE
Total trade	1
Imports	3
Exports	5
Shipping	6
Miscellaneous	7
Tables—	
Return of principal imports	8
„ „ exports	9
Shipping returns	9

Total Trade.

The customs returns show that the trade of Newchwang in foreign vessels was less in 1892 than it had been in the preceding year. But looking at all the circumstances, one discovers without difficulty the principal cause of the fall, and concludes that there are no great reasons for astonishment or lamentation.

In the year under review the total trade of the port was 16,459,319 taels. I calculate that during that time the average value of the customs tael was 4*s.* 4½*d.*, at which rate the above sum comes to 3,600,476*l.* In the preceding year the total was 17,083,344 taels, equal at 4*s.* 10½*d.* to 4,168,592*l.* If one takes Value of trade.

the silver values, this is a decrease of about 4 per cent.; if the gold values, of nearly 13 per cent. That the former is the fairer criterion in the particular case of Newchwang is evident from the fact that not only are the exports almost or quite, without exception, shipped to silver using countries, but, not to mention native imports, even a substantial part of the foreign imports come from India and Japan, where the same monetary standard is employed. Nevertheless, in whichever metal it be expressed, the trade of 1892 still stands well above all years except 1891, and is more than double the average amount of 10 years or even less than 10 years ago. The falling-off that has occurred is entirely in the import trade, foreign goods having diminished some 15 per cent., and native ones more than 25 per cent.; while exports, on the contrary, have advanced at least 11 per cent.

Cause of decline.

To account for the reduction in the imports, one has only to look at the customs returns of the two previous seasons. As is described in the report of one of my predecessors, the trade of the place is principally conducted by native merchants from the great southern marts. They buy produce in Newchwang, and to as great an extent as possible they ship foreign or native goods to us to pay the cost of their purchases. In the year 1890 there was a magnificent export trade, the largest on record up to that time; though indeed it has been exceeded this year by no less than 25 per cent. It was natural that there should be a simultaneous growth in the import trade. But the rise which occurred in the latter was not merely a corresponding one: it was at least double what one could have calculated upon. In 1891 the exports again grew 10 per cent.; but the imports once more went beyond them, advancing no less than 25 per cent. With two such years in succession the import business was necessarily overdone. Looking back for 10 years one learns from the returns that season after season without exception, the imports have been either smaller than the exports, or at the most about equal to them. In 1891, for the first and only time, they have largely exceeded them in value. The inevitable consequence was that the market was swamped; and, in spite of the extraordinary quantity of produce shipped in 1892, the stocks of imports have not gone off quickly enough to allow the introduction of fresh supplies, to the extent that under ordinary circumstances one would have expected.

Dear silver.

Another hindrance to briskness of trade has been the high price of silver. That there should have been such a thing as dear silver in 1892 will seem incredible to the European merchant in Shanghai or Hong-Kong. But such was the case at Newchwang. The high value, however, was not in comparison with gold, but with the copper cash which are used for mercantile transactions throughout the interior here. Silver averaged several per cent. dearer in 1892 than in 1891, and the price of imports of all kinds was increased to the purchaser in the same proportion.

Imports.

Imports of all kinds in 1892 came to 7,345,463 taels (1,606,820*l.*), while in 1891 they were recorded as worth 9,013,598 taels (2,197,064*l.*).

Imports of foreign origin were valued at 5,197,851 taels (1,137,030*l.*). In 1891 they were 6,071,412 taels, but in 1890 they were only 4,458,568 taels, and in no previous year did they even reach 3,000,000 taels. They were all shipped here from other treaty ports, with the exception of goods to the value of 360,256 taels (78,808*l.*), which came direct from foreign countries, principally Hong-Kong, and, in a less degree, Japan and the Russian Pacific Coast. Foreign imports.

The trade in opium continues to dwindle. This year's import of Indian opium, almost all Malwa, is 17,413 lbs., value 12,176*l.* It is little more than half that of the preceding year; but in comparison with earlier years the decrease is not so rapid. Three chests of Persian opium passed through the custom-house. There is, of course, a good deal of native opium smoked in Newchwang and in the rest of Manchuria; but what may be the production and consumption throughout the three provinces, there are no statistics which would enable one to make even a tolerable guess. The proportion of smokers to population, however, is certainly less than in southern and central China. No native opium leaves the port through the foreign custom-house; nor apparently do the attempts of the officials to tax it in the interior meet with any noteworthy success. Opium.

Including yarn and thread, the net value of cottons imported during the year is 3,962,190 taels (866,729*l.*), excluding these, piece-goods and pocket-handkerchiefs come to 1,969,778 taels (430,889*l.*). The comparative amounts of the principal articles for this and the preceding year will be found in the table of imports attached to this report. It will be seen therein that the diminution in the import is spread through almost the whole list. The most remarkable decrease was in grey shirtings, the figures for which, 43,965 pieces, are rather less than half those of the preceding year. As the import of this article in 1891 was not unusually large, it looks as if the falling-off may be permanent, the reason being that, following the example of T-cloths, grey shirtings are gradually being superseded by stronger materials, such as drills and sheetings, or cloth woven in the country from imported yarn. Cotton goods. Grey shirtings.

Apart from velveteens and jeans, two very unimportant commodities, the only article which did better than in 1891 was Indian sheetings, which had the advantage over their American and English rivals of not being rendered dearer by the fall in exchange during the past 12 months. The two great American manufactures, drills and sheetings, though falling-off proportionately as much as other cottons did, continue to hold a predominant place in the trade. One has been used for some years past in many parts of China to see these two articles coming in in large Indian sheetings. American cottons.

quantities and driving out English goods of the same kind; but, adding up the figures, one would discover that after all they formed a comparatively small portion of the total import of piece-goods. Here, however, in Newchwang one is astonished to find that their value is no less than two-thirds of the whole.

Yarn. In many parts of China, yarn has become a prominent article among the imports; but in very few can it hold such a position as it does here at Newchwang, where its value equals that of all kinds of piece-goods taken together. In the year under review, the import of yarn and thread was 14,993,517 lbs., value 1,992,412 taels (435,840*l.*). All of this was Indian yarn, except about 1,300*l.* worth of English yarn and thread. According to the customs returns the Indian yarn was worth 17·85 taels per picul, and English yarn 23·15 taels per picul. Lancashire cotton spinners will not require to be reminded that, if silver were at anything near its old rate, English yarn could be laid down here at less than 17·85 taels and the bulk of this magnificent trade, going on at every port in China, would be transfered to their mills.

Woollens. Woollen goods were imported to the value of 225,525 taels (49,334*l.*). They underwent the same reduction in quantity as other classes of imports, long ells and camlets suffering the most. At Newchwang, compared with cotton goods, the proportion of woollens is rather larger than at other ports. But, in spite of the cold climate, it is useless to hope that cloth will ever be largely worn here; as the Chinaman finds that he obtains warmth more economically by clothing himself in wadded garments, which are bulky, indeed, but cost very little. Moreover, those who can afford to dress in furs are able to procure them cheaply, on account of the proximity of the great fur-producing region of the north.

Metals. Metals call for little remark. The total import amounted to 335,373 taels (73,364*l.*). But it may be noted that, as in most parts of China, the two kinds which reach the highest values are nailrod and old iron.

Sundries. Foreign sundries do not hold a very important place in the
Matches. returns of trade at Newchwang. This year matches hold the post of honour as the principal article on the list. Of these the import was 95,361 gross, value 14,808*l.* They are mostly of Japanese manufacture and of bad quality. The Chinese may find them cheap; but, in the hands of the careless foreign strikers, before a light can be obtained, so many are generally expended that their cost becomes greater than that of the best Bryant and May's.

Kerosene oil. The import of kerosene oil was very small, 255,000 gallons, valued at 4,012*l.* Of this only 1,000 gallons were Russian, all the rest being American. In the preceding year the figures were: Russian, 287,700 gallons; American, 212,000 gallons. I am informed that the almost total disappearance of the Russian article is due not merely to the markets having been overstocked in the previous year, but also to the very great variety in its quality. Some of it has been found so exceedingly inferior that Chinese purchasers distrust it altogether.

Sugar. While there was a falling-off to the extent of about

12,000,000 lbs. in the native sugars of all classes imported, that from the Hong-Kong refineries increased from about 500,000 lbs. to nearly 1,500,000 lbs. Two-thirds of this is entered as brown sugar, but it is, I understand, a partially refined article, which would formerly have been classed as white.

The value of native imports is only 2,147,612 taels (469,790*l.*), against 2,942,186 taels in the preceding year. I have already given what seems to me the principal reason for the falling-off. One is surprised to see that the two great necessaries, raw cotton and sugar, have this year given place to silk piece-goods as the principal article on the list. The import of these was 551,358 taels (120,609*l.*). All these silks and satins could not have been required for the officials at Moukden, and the magnitude of the import indicates a greater amount of ease and luxury than one would have imagined to exist in the wilds of Manchuria.

Native imports.

Silks.

Exports.

The figures for the export trade of 1892 are really such as to astonish one. After the great upward movements of the two preceding seasons, it did not seem that a third jump was possible. Still it came; and one finds that the value of the export in foreign vessels has doubled itself in 6 years. I have little doubt that, if there were returns from the native custom-house available, one would discover that something should be put down to a diminution in the junk trade, but still the bulk of the increase must be real. One curious feature of the particular year's trade is that there is not a larger export of the great staples, bean and bean-cake, combined, but there has been a very considerable increase in the other principal products of the country, ginseng, deer-horns, raw silk, and skins. In some of these the values have grown so much more than the quantities that one is tempted to ascribe their augmentation partly to greater knowledge and strictness on the part of the examiners. The figures for net exports of local origin are: in 1892, 9,065,658 taels (1,983,113*l.*); in 1891, 8,069,746 taels; in 1890, 7,197,816 taels; in 1889, 5,567,569 taels.

The great products of Manchuria, on which the prosperity of Newchwang depends, are beans, bean-cake, and bean-oil. They give employment to a large number of British vessels and furnish the greater part of the funds with which the inhabitants of Manchuria purchase their supplies of foreign goods. Even with the present depreciated value of silver, the annual worth of the trade in them is not far from 1,500,000*l.* The export of beans is a little greater than last year and is the largest on record. That of bean-oil, a smaller item, is 30 per cent. better than in any previous year. But bean-cake, while well above earlier years, has gone back a long way from what it was in 1891. The reason for this was a great diminution in the demand at Swatow, owing, I am told, to bad weather, which prevented the bean-cakes being applied to the fields as usual. A good deal of it, therefore, instead of

Beans, bean-cake, bean-oil.

being exported, had to be utilised by the producers as they best could. Had it not been for the growing trade with Japan, the falling-off would have been still greater. The trade with Japan in beans and bean-cake has shown wonderful expansion. A few years ago it was only worth 5,000*l.* to 6,000*l.* for the two articles together. Last year it rose to more than 200,000*l.*

Shipping.

As one would expect with a diminished export of the great staple of the district, the tonnage for 1892 is less than in the preceding year. The difference, however, is not a very large one, the entries being 428 vessels of 331,832 tons in the one year against 433 vessels of 333,709 tons in the other. Sailing vessels have had to bear the entire loss, while steamers even gained a little. The exact figures for the two classes are shown in a return at the end of this report.

British tonnage.

British tonnage decreased from 234 vessels of 193,563 tons to 194 vessels of 164,439 tons; German from 136 vessels of 96,443 tons to 116 vessels of 83,411 tons. Japanese vessels rose from 11 to 29, and Chinese from 33 to 60. The China Merchants Company are paying more attention to the port, and in future years will probably have a good proportion of the carrying trade.

German, Japanese, and Chinese tonnage.

Profits.

The season is said to have been a bad one for shipowners, severe competition having brought freights down to a point at which a fair profit could not be realised. Low freights are, of course, good for trade, but within certain limits Chinese shippers care more for the maintenance of a steady rate. They suffer by sudden changes in the cost of freight in the same way that European merchants in the East do by fluctuations in the rate of exchange.

Wreck.

One vessel, the Norwegian barque "Arun," was lost here at the end of the season, to remind owners that Newchwang is not a safe and pleasant place for sailing ships just at that time of year. The ships must get out somehow or they will be caught prisoners in the ice, and perhaps they find that there is not enough water on the bar for their draught except when the wind is southerly. When it blows with any force from that quarter, though the depth is greater, a nasty sea gets up on the bar, and there is a danger of bumping as well as a difficulty in beating out. The "Arun" was being towed out by a steamer that was leaving the port. There was a strong southerly wind with its attendant high sea. Though the steamer got over safely, the "Arun" bumped heavily and was much damaged. Finding that it was not prudent to proceed, her master let go the tow-rope and tried to return. The vessel struggled along for a short distance, but soon stranded immovably and became a total loss.

Miscellaneous.

Past harvest.

As far as one can learn, the harvest during the past autumn has been in the main good. Many districts have done magnificently, but in some places in the extreme north, a good deal of damage was done to the grain crops by early frost, severe local frost being the result; and nearer Newchwang there were floods in certain low-lying tracts which usually raise immense crops of the sorghum or giant millet. The cost of this kind of grain has, therefore, risen in price, but there is no reason to anticipate that next season's trade will be affected to any serious extent.

Railways.

The railway from Tientsin continues to creep towards the border of Manchuria. Surveys have recently been made by engineers not far from this port, but one is quite unable to foretell how many years will pass before the line reaches this neighbourhood. It is known, however, that the delay will be solely due to lack of funds and not to any opposition, either popular or official. There is reason to believe that the Chinese Government in promoting the scheme is influenced by strategic rather than commercial views. But, beyond all question, when once the iron horse runs from Newchwang to Kirin, this port will rejoice in a marvellous extension of trade. We should then see realised the expectations of the pioneers who settled in the port at its opening more than 30 years ago, and who for many a long day afterwards must have thought that their hopes could never be accomplished.

Annex 1.—Return of Principal Articles Imported into Newchwang during the Years 1891–92.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Foreign imports—					
Opium—					
Indian	Lbs.	17,413	12,176	33,813	25,353
Persian	,,	267	129	800	468
Cotton goods—					
Shirtings—					
Grey	Pieces	43,965	19,187	91,825	46,976
White	,,	29,095	10,056	34,132	13,926
Dyed	,,	7,753	6,737	6,804	3,417
Figured, &c.	,,	4,943	3,594	6,986	4,251
T-cloths	,,	30,530	7,323	39,358	10,698
Drills—					
English	,,	18,845	9,975	26,170	13,469
American	,,	153,485	87,720	220,715	139,427
Jeans, English	,,	2,980	1,391	1,970	890
Sheetings—					
English	,,	41,150	20,325	28,000	15,197
American	,,	369,770	214,417	456,205	292,046
Indian	,,	14,870	6,506	8,625	4,260
Chintzes and furnitures	,,	7,584	2,329	14,820	4,709
Turkey-reds	,,	4,352	2,363	6,622	3,146
Cotton lastings	,,	21,358	12,664	25,230	15,136
Velveteens	,,	4,356	16,955	2,851	8,113
Handkerchiefs	Dozens	62,093	5,895	71,172	6,129
Yarn—					
English	Lbs.	32,400	1,231	38,000	1,616
Indian	,,	14,959,133	434,436	17,171,100	500,971
Woollens—					
Camlets, English	Pieces	1,040	2,314	2,200	4,662
Lastings	,,	11,418	22,479	15,412	29,133
Long ells	,,	3,970	4,137	7,224	8,819
Spanish stripes	,,	737	1,205	922	1,360
Cloth, Russian	,,	1,180	7,437	1,200	9,282
Italian cloth	,,	8,757	10,083	8,823	10,329
Metals—					
Iron—					
Nailrod	Lbs.	3,595,896	12,494	4,468,742	14,779
Bar	,,	1,191,067	3,908	1,671,416	5,109
Old	,,	17,549,091	33,151	22,044,800	50,697
Tin in slabs	,,	66,175	2,575	117,415	4,733
Lead in pigs	,,	716,995	3,906	747,637	5,156
Steel	,,	345,957	2,068	647,036	4,035
White metal	,,	74,852	4,565	135,105	8,327
Sundries—					
Brass buttons	Gross	34,950	6,262	45,300	4,791
Dyes, aniline	...	...	14,324	...	17,248
Glass, window	Boxes	2,738	1,498	7,607	4,564
Matches	Gross	95,361	14,804	190,392	32,610
Needles	Mille	161,500	4,009	385,100	16,181
Oil, kerosene—					
American	Gallons	254,000	3,993	212,000	6,396
Russian	,,	1,000	19	287,700	8,058
Pepper, black	Lbs.	374,501	4,816	452,743	7,890
Seaweed, Japan	,,	672,334	7,156	578,556	1,192
Furs—					
Fox skins	Pieces	21,836	3,442	...*	...
Martens	,,	10,685	9,934	...*	...
Sugar—					
Brown	Lbs.	900,077	4,430	...	...
White	,,	519,467	4,261	486,489	4,564
Native imports—					
Raw cotton	,,	4,853,500	81,238	8,523,600	140,918
Silk piece-goods	,,	184,284	120,609	153,585	101,137
Sugar—					
Brown	,,	9,334,266	45,942	14,974,266	64,428
White	,,	1,680,533	13,819	9,250,000	77,825
Candy	,,	1,049,467	9,918	1,253,467	12,080
Tobacco, prepared	,,	1,324,300	26,003	1,096,933	17,328

* No return.

Annex 2.—Return of Principal Exports from Newchwang during the Years 1891–92.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Bean cake	Lbs. ...	375,840,533	472,507	408,514,667	555,134
Beans	,, ...	555,998,400	861,063	554,338,400	917,459
Ginseng—					
Native	,, ...	96,854	29,245	74,183	27,275
Corean, first quality..	,, ...	28,267	92,797	15,449	44,379
Deer horns, young ...	Pairs ...	2,024	90,568	1,669	16,019
Oil, bean	Lbs. ...	16,128,133	87,453	12,401,333	78,462
Silk, raw, wild	,, ...	975,390	152,878	870,560	140,309
Skin rugs—					
Dog	Pieces ...	66,289	36,381	27,960	14,245
Goat	,, ...	105,943	22,600	93,820	18,897

Note.—In the above tables customs taels have been changed into sterling at the rate of 4*s.* 4½*d.* for 1892, and 4*s.* 10½*d.* for 1891.

Annex 3.—Return of Vessels, Foreign-Owned, or of Foreign Type, which have Entered the Port of Newchwang during the Year 1892.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	23	10,414	171	154,025	194	164,439
Chinese	...	...	60	43,762	60	43,762
German	19	7,466	97	75,945	116	83,411
Japanese	...	...	29	22,138	29	22,138
Other nations ...	9	4,210	20	13,872	29	18,082
Total	51	22,090	377	309,742	428	331,832
,, for the year preceding ..	61	27,267	372	307,442	433	334,709

Note.—The clearances for 1892 were exactly the same as the entries.

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF CHUNGKING.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1097.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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CHINA.

CHUNGKING.

Acting-Consul Fraser to the Earl of Rosebery.

My Lord, *Chungking, March* 23, 1893.

I HAVE the honour to forward herewith my Report on the Trade of Chungking during the year 1892.

I have, &c.

(Signed) E. H. FRASER.

Report on the Trade and Commerce of Chungking for the Year 1892.

ABSTRACT of Contents.

	PAGE
General trade—	
Comparison with 1891	2
Navigation—	
Charter system	4
Difficulties of navigation	4
Insurance scheme	5
Commerce—	
Chungking as a centre of trade	5
Likin system of Szechuen transit trade	6
Imports—	
Cottons	7
Indian yarn	7
Woollens	8
Kerosene oil	8
Matches	9
Exports—	
Native opium	9
Silk	11
Other exports	11
Tables—	
Return of British and foreign chartered junks	13
„ principal articles of import	14
„ „ export	15

Volume of trade in chartered junks.

The volume of trade under the additional article of the Chefoo Convention during 1892, the first complete twelvemonth that the new system was in force, is, on the whole, satisfactory, provided it is borne in mind that Chungking was not in 1891 newly opened, but had under the transit pass system for more than a decade shared in the foreign trade of China.

The value of the trade in chartered junks is reckoned by the Imperial Maritime Customs as follows :—

	Value.	
	Sterling.	Currency.
	£	Hk. taels.*
Foreign imports	1,262,186	5,825,474
Native „	86,482	399,146
„ exports	654,574	3,021,117
Total	2,003,242	9,245,737

Reason for excess of imports over exports.

The preponderance of imports over exports is explained by the fact that, while practically all imports from abroad and from the coast provinces, together with a considerable proportion of the imports from the river provinces, reach Ichang by steamer, and so come forward in chartered junks, only a part (generally stated to be, except in the case of native opium, one-third) of the exports leaves Chungking through the Imperial Maritime Customs. The Szechuen merchants are content to do business on such a small margin of profit that a slight economy in shipping any article through the likin office will obtain for it the bulk of the trade. Moreover, the exports to Shashih, 90 miles below Ichang, for distribution through the central provinces are still very large, that long established mart having, as yet, been but slightly affected by the competition of Ichang.

Native customs still have large share of trade.

The large share of the trade that still passes through the native customs is shown by the fact that the annual collection at K'uei-chou Fu has fallen, since Chungking was opened, from 48,000*l.* to 40,000*l.* (4,000*l.* = 20,000 taels) above the assessment. Sugar and salt exported and native cotton imported are its chief sources of revenue.

Comparison of trade, 1891 and 1892.

Comparison between the total foreign trade of Chungking in 1892 and that in 1891 is difficult. The introduction of chartered junks in the latter year naturally led to some disturbance of the trade, hitherto carried on under transit passes from Ichang and Hankow, and to some extent through the likin office. The values given at those ports often vary considerably from those in Chungking; and this difference should be allowed for. Moreover, it is quite uncertain what proportion of goods stated in transit

* The Haikwan tael is taken for 1892 as equivalent to 4*s.* 4*d.*, whereas in 1891 it was valued at 4*s.* 11*d.*

passes to be destined for Chungking reach this port; for, after passing K'uei-chou Fu, there is no reason why goods should not be sold en route, as there is no barrier between that place and Chungking, where passes are not required to be delivered up. And, undoubtedly, a good deal of merchandise is landed at Wan Hsein, half way from Ichang, and sent inland.

Transit trade effect of new system.

The transit pass trade from Ichang almost entirely disappeared in 1892, falling from 576,739*l.* to 80,635*l.*; and this remnant may fairly be taken to represent supplies for places on the Yangtze, east of Chungking. But the transit pass trade from Hankow not only was not reduced; it increased from 158,188*l.* to 170,652*l.* Yet traders here unanimously declare that, save kerosene oil, matches, aniline dyes, and "notions," very little cargo under Hankow pass reaches this city. And it seems prima facie inexplicable that importers should go out of their way to pay an extra half duty on imports. Various explanations of this anomaly are put forward, for instance, that on chartered junks the crew are not allowed, as they are on other junks, to carry on their own account small ventures in cotton, iron pans, and so forth, which the likin officers let pass on a small payment by the junk-owner, and that, therefore, they demand higher pay, and are also apt to desert. But the probable explanation seems to be freedom to sell en route, and also that small dealers can ship their packages on junks partially loaded with likin-paying cargo.*

Why imports still leave Hankow under transit pass.

Under these circumstances it seems as well to leave transit pass goods from Hankow out of the comparison, just as it is impossible to include return cargoes from Shashih passed through the likin office. If this is done, and Chungking values assigned as far as possible throughout, the figures for the 2 years work out as below:—

COMPARATIVE Values of Total Trade during the Years 1892–91.

	1892.		1891.	
	Sterling.	Currency.	Sterling.	Currency.
	£	Hk. taels.	£	Hk. taels.
Imports..	1,429,303	6,596,781	1,032,400	4,200,776
Exports..	654,574	3,021,117	498,394	2,027,367
Total	2,083,877	9,617,898	1,530,794	6,228,143

Navigation.

No single anchorage at Chungking.

There is at Chungking no single regular junk anchorage, many shallow bays on both sides of the Yangtze being utilised at

* Parcels of goods, I am told, used at any rate to be sometimes bought in Hankow at prices inclusive of transit dues.

different stages of the river, which sometimes rises in summer 80 or 90 feet above its winter level. Junks lie in groups, some on one bank, some on the other of both the rivers that unite at Chungking. For such a "harbour" steam launches seem almost indispensable, and much time is lost and risk run in conveying goods to and from the anchorage, the city, and the customs examination station on the opposite bank. Nor is it only at Chungking that steam tugs would be advantageous. There are many stretches of water where their use would mean a saving of days, if not weeks, to junks wind-bound on the voyage up, which occasionally occupies over 5 months, and is rarely accomplished in one. But, until "once Chinese steamers carrying cargo run to Chungking," the trade must continue to be hampered with its present limitations, and no speedy development of the resources of the western provinces need be looked for.

Need for steam launches at Chungking. And on river below.

Steamers a condition of any great development of trade.

No foreigner has yet ventured on building or buying vessels of native type from a doubt, probably not unfounded, whether a junk captain would be as cautious in sailing a foreign-owned junk as he is in navigating his own. The smaller craft used for valuable cargo are chartered for a lump sum, the larger vessels are paid so much per package. The foreign charterers are wise enough not to compete, and often divide up their shipments among each other's junks.

Chartered junks only used.

System of charter.

Downward bound junks pay junk dues per package to the likin office at rates ranging from 56 cash (say $1\frac{3}{4}d.$) on musk to 12 cash ($\frac{3}{8}d.$) on waste cocoons.

Junk dues.

The number of upward junks increased fourfold, and the tonnage nearly five times. Yet out of 1,203 vessels only two total wrecks and 24 accidents causing damage to cargo were reported up to the end of November to the customs here, and this in spite of the extraordinary sudden flood that swept down the Yangtze in the early part of July.

Casualties to junks.

The downward junks showed little more than a proportional increase over 1891. Of the 676 junks only three were said to be on the rocks; but most cases would be reported at Ichang.

The immunity with which, as shown by the above figures, the vaunted perils of the Upper Yangtze were surmounted in a year of exceptional freshets, confirms the view that full-powered steamers of light draught might ply between Ichang and Chungking, once a survey of the channel had been made, with little risk beyond that of colliding with junks drifting down stream. And it is questionable whether the junks, clumsy as they look, are ever beyond control by oar and helm, even when bound down stream.

Navigation of Upper Yangtze possible for suitable steamers.

More than half the upward, and two-thirds of the downward junks were under British charter, chiefly to Messrs. Butterfield and Swire and Messrs. Jardine, Matheson, and Co., who, until the Chungking Transport Co., under the management of Mr. A. J. Little, began operations in October, represented British trade in Chungking.

British share of trade.

At the beginning of the year a Chinese firm connected with

Chinese share.

the China Merchants Steam Navigation Co. was allowed to trade under the conditions of the Additional Article, and it has chartered 128 junks from, and 240 junks to, Ichang during 1892.

The high water season, from June to October, was the busiest period for exports, while the import trade fell off in the latter half of the year. Busy periods for exports and imports.

There was no complaint of interference on the part of the native authorities along the river beyond some alleged very trifling exactions at one or two points.

An ingenious fraud on the part of a junk captain was discovered, apparently by chance, in December. An upward-bound chartered junk was reported to the local authority at Wushan to have run on a rock, and lost in consequence some of her cargo. The loss was, in accordance with the junk traffic rules, noted on her pass. No suspicion was excited, and the device would doubtless have proved profitable had not the foreign firm's agent at K'uei-chou Fu some time after found a part of the "lost" cargo in the house of a friend of the junk captain's in that city. The captain did not come on with his junk, and is still at large. As the local authorities have no inducement to carry out their function of verifying losses vigorously, and as the junk people would certainly object to paying any fee for examination, the only preventive of such frauds is to make junk captains provide good sureties, and this is now usually done. Fraud by junk captain.

In November the Chungking Transport Co. published a set of rules under which the company would insure cargo to and from Chungking, but, as yet, the native dealers, though readily recognising the benefit of such an arrangement, have not largely availed themselves of it, partly because the rates are naturally heavy pending more exact knowledge of the percentage of accidents, but mostly because they think the river pretty safe at its present low-water stage. The company's chief support in Chungking is likely to come from the smaller dealers, especially in medicines. The large and wealthy firms themselves take the risk, which they minimise by distributing such valuable exports as yellow silk and opium in several small boats, and even by making portages at especially dangerous rapids. Importers, knowing how seldom total losses occur on the voyage up, are not likely to insure except when the river is very high, even if at such periods they do not prefer to suspend shipments altogether. The Superintendent of Trade reported the scheme to the Viceroy, who approved of it, and a proclamation, embodying the company's prospectus and rules, was duly issued. Should insurance prove popular and profitable, doubtless other China offices will seek to share in a business at present looked on with distrust as too speculative. Insurance.

Trade and Commerce.

Chungking is the great trade centre of the province, where all the large dealers have their head offices. A few houses have Chungking the trade centre of Szechuen.

branches at Wan Hsien, the half-way station between here and Ichang, and at Ch'êng-tu, the capital, and many send agents to producing centres at the season for collecting exports, *e.g.*, to Paoning, Chiating, and Kuan Hsien for silk, white wax, and musk. From here are distributed imports, often in small parcels, to peripatetic traders who supply the country districts, the likin of 18 cash (say $\frac{1}{2}d.$) per hank ($10\frac{2}{3}$ lbs.) of yarn leaving Chungking shows how small the parcels often are. And hither come almost all exports to be sorted and re-packed.

Wan Hsien's share in trade.

Wan Hsien alone, which at first drew its supplies from Chungking, has within the last few years aided in the distribution of imports, as the land route from that place to Ch'êng-tu is little longer than from Chungking to the capital, and the absence of inland barriers compensates for the higher cost of conveyance compared with the river route, on which likin is payable thrice.

Likin system of Szechuen.

The likin stations of Szechuen are commendably few in number—one at K'uei-chou Fu, the river entrance to the province; one at Chungking, the distributing centre; one at Ho Chou, some 90 miles up the Chialing River, the water-way of the eastern half of the province; one at Luchou, on the Yangtze, 150 miles above Chungking, for the "benefit" of trade with the south-western provinces, while offices at Chiating and Ch'êng-tu complete the list, in which salt and opium barriers are, of course, not included; nor are the charges high. At Luchou and Chiating the collection is reported very lax, but at Ch'êng-tu, where the Manchu garrison is paid from the receipts, it is very strict. Now that chartered junks escape having to make payment at K'uei-chou Fu, merchants unanimously assert that it does not pay to take out transit passes for exports, the likin being lighter, and the likin offices not exacting full dues so inexorably as the I.M. Customs. And, in fact, not one pass has been applied for since the port opened. The same is the case with imports leaving Chungking, with the one exception of cotton yarn, on which special burdens were laid last year by the provincial authorities in the vain endeavour to support the import of native raw cotton. The attempt to evade this extra tax by using passes led to obstruction at the barriers and the imposition of a destination duty ("lo-ti"), as stated in the report for 1891. As yet the likin office has succeeded in choking the transit pass trade entirely, as native consignees in the interior decline to have yarn sent them under pass. Nor can the likin office be blamed for objecting to passes so long as the annual quota payable to the High Authorities is not proportionately reduced, as was done for the K'uei-chou Fu barrier.

Transit passes dearer than likin.

Except on yarn.

Passes for yarn have been stopped.

It is possible that when the right of goods under transit pass to freedom from all exactions whatever is vindicated throughout the west, passes will be applied for for foreign goods going beyond the borders of this province.

Imports: increase.

Imports rose in 1892 no less than 396,903*l.*, from 1,032,400*l.* to 1,429,303*l.* Of this sum 66,114*l.* represents the year's increase in native imports which, before the opening of the port, had to

pass through the native customs, and 251,032*l.* is accounted for by the rise in gray shirtings and Indian yarn.

Cotton goods are over 72 per cent. of the total imports through the I.M. Customs. But, considering the vast population to be catered for, the amounts are insignificant. Nor is competition in the supply of the west wanting. To the north-west, in Kansuh and Shensi, Russian cloth, stout and durable, is said to be in vogue, while the shops of Talifu in Yünnan are full of French cloths that reach that city from Tonkin, by way of Mêngtyŭ, on pack animals at a cheaper rate than English fabrics coming up the Yangtze.* Moreover, Szechuen itself is not utterly dependent on imported cotton. Much is grown in the north-east corner of the province, and some between this and the capital; and the imported article, whether raw cotton or yarn and piece-goods, is said never to have made its way much north of Ch'êng-tu. Cottons.

The system of import having so lately altered, comparison of amounts of special articles imported would be futile. In the opinion of several merchants consulted the piece-goods demand of Chungking has not materially varied for several years, the figures rising and falling merely, according as market fluctuations encouraged or discouraged the accumulation of stocks. Import trade in cottons stagnant.

Cotton yarns, however, after remaining stagnant during 1890–91, have undoubtedly made another advance to the detriment of raw cotton, which in the last decade has fallen from about 20,000 bales (say 5,250,000 lbs.) to 10,000 bales (2,500,000 lbs. or less). It is hardly likely to fall lower, as it is now almost exclusively used as wadding for garments and quilts. Cotton yarn increase. Raw cotton.

The small import of fine English yarn (82,400 lbs.) is used for making thread (a line in which the coarser Indian yarn cannot compete with it), of which besides 7,733 lbs. were imported. English yarn.

Foreign cotton piece-goods are not used, at any rate, for daily wear, by the country folk on account of their soon wearing out; but in the cities, Chungking especially, large quantities of shirtings, bleached and dyed with Yünnan indigo, are used for making coats. Funerals also consume considerable amounts, and some are turned into handkerchiefs (of which 10,686 dozens figure in the customs list) by the women. The white head-cloth universally worn by the boatmen on the Upper Yangtze is of native manufacture. Use made of shirtings.

Another use of shirtings is, oiled red, to be pasted as covers on the bamboo ribs of native imitations of foreign umbrellas, which in Ch'êng-tu, sold for 200 cash (about 6*d.*) apiece, have driven out of use the wide native straw-hats that cost 10 times that amount.

The products of the Shanghai Cotton Mill appear for the first time in the Chungking returns. The quantities (60 pieces drills, 966 pieces sheetings, and 40,000 lbs. yarn) are naturally small; but the two former are valued as highly as the English article, while the last-named ranks with Indian yarn. Considering its advantage Import of products of Shanghai Cotton Mill.

* The opening of a trade route from Burmah may, however, change this position.

of nearness to the market, the Shanghai yarn may prove a serious competitor to Bombay mills, and when and if the Wuchang mills prove a success, Indian yarn may dwindle away as English yarn has already.

Woollens. The demand for woollens in the West has never been brisk, and Russian cloth alone shows a marked improvement over 1891. The whole import shows that there is not much likelihood of foreign woollens superseding the wadded and fur garments the Szechuenese wear during the mild winter of this province.

Metals. The trifling import of metals seems to have been doubled in value by an increased supply of quicksilver, chiefly for making vermilion; but this is quite possibly due merely to a change in the system of carriage. Considerable quantities of nailrod iron, iron wire, tin-plates, lead in pigs, and copper leave Hankow for Chungking. I cannot learn of the arrival of any but the last here, though a certain amount of the first two items reaches Ch'êng-tu in small parcels from Wan Hsien. The tin and lead used here comes almost entirely from Yünnan, and the iron is mined in Szechuen and K'ueichow.

Sundries. In the long list of "foreign sundries" there are few items of interest. It chiefly consists of Canton and Straits' produce.

Aniline dyes. Aniline dyes show a vast increase, the red being much used.

Needles and pins. Needles (77,974 mille through the I.M. Customs) also reach Ch'êng-tu under transit pass from Hankow and Ichang. Pins seem to be unknown.

Kerosene oil. Kerosene oil has begun to come up in chartered junks, and is likely to increase. The total import under pass and through the customs probably exceeds 750,000 gallons, as in 1891 636,370 gallons left Hankow for Szechuen, and its use is growing daily. That most of the supply comes under transit pass from Hankow, and a good deal in small lots passes through the likin office is probably due to steamers objecting to carry such dangerous cargo, yet there seems no reason beyond custom, and, according to some native merchants, freedom from examination on arrival, why junks should not be chartered from Hankow to Ichang under the General Yangtze Regulations, and rechartered at Ichang under the Additional Article, thus saving the transit duty. The oil, which is much adulterated, sells here retail at 80 cash ($2\frac{1}{2}d.$) per catty—say, $3\frac{1}{4}d.$ per quart—while vegetable oil costs 110 cash ($3\frac{1}{2}d.$) per catty. The thrifty natives often burn kerosene in lamps made from kerosene tins with a spout containing a circular wick, imported probably from Canton and Japan, about as thick as a pencil. Originally the local authorities imposed restrictions on the storage of the oil inside the walls; but they are now relaxed, yet fires are exceedingly rare, only two having occurred to my knowledge in the latter half of 1892. The city is well supplied with native manual engines, and stone water-cisterns are placed in the streets at frequent intervals. The firewalls enclosing most large compounds are, however, much more effectual in preventing large conflagrations of houses mostly composed of wood; and in the cases of fire mentioned all within their bounds was consumed.

Matches do not appear in the customs list. They are, however, imported to a considerable amount, mostly from Japan. They are considered a dangerous cargo, and come up, a case or two in a junk, under transit pass, and also through the likin office. These matches, bad as they often are, sell retail at 6 cash (less than $\frac{1}{16}d.$) per box, and are much preferred to the locally made sulphur abominations referred to in last report. The latter sell one-third cheaper and are used to some extent in kitchens. So unpopular are they that the officials interested in the two factories have tried to push the sale by establishing a company with the monopoly of the sale of all matches in Chungking for 25 years. It is doubtful whether the people will permit this system if, as is probable, it raises the price of imported matches; and it is, of course, open to any foreign merchant to nullify it by entering into the match business. Matches.

There is a considerable import of watches, lamps, looking-glasses, nicknacks, and Japanese cheap toys, the bulk of which comes under transit pass in order to avoid careful examination on arrival by the customs. Import of nicknacks.

The only native import of interest—raw cotton—has been referred to above. Native imports.

Dealers in miscellaneous articles, such as needles, umbrellas, and "notions" found 1892 a profitable year. Cotton yarn paid the large dealers, as did cottons and woollens, chiefly because they can get advances from the local banks at half, or less than half, the interest—$\frac{1}{2}$ per cent. a month, with 6 months' credit—which they charge small buyers. There was only one failure in cotton yarn, which did not affect the other merchants. The large capital required in the business limits the number of wholesale importers, who are usually also exporters of silk, wax, and opium. Business.

It may be noted that 1 picul (133⅓ lbs.) of prepared opium, valued at 200*l.*, was imported, presumably for the use of connoisseurs in the drug. Prepared opium.

There is apparently a large increase in exports, cocoons, silk refuse, and Szechuen pongees alone showing a slight falling-off; but, as no returns can be obtained from the likin office, it is impossible to say with certainty whether the total export expanded or not. Exports.

According to merchants, the year was nearly an average one; and it is curious to note that, allowing for changes in valuation, the Imperial Maritime Customs figures for 1892 are about double those for the half-year 1891, viz., 3,021,117 Haikwan taels to 1,564,794 Haikwan taels. 1892 an average year for exports.

Native opium furnished a full quarter of the revenue of the Imperial Maritime Customs at Chungking. Of the total, 12,329 lbs. are returned as Yünnan drug (which, however, is said to be often mixed with Szechuen at Suifu (Hsü-chou Fu), the great port of entry), and 332,490 lbs. as Szechuen. The latter all comes up from Fu-chou and Fêng-tu, the chief river centres of export, about 100 miles and 150 miles by water respectively, below Chungking. Native opium.

Opium export from Szechuen.

The export of opium from this province has been variously estimated. From the careful enquiry of Mr. A. E. von Rosthorn, of the Imperial Maritime Customs, it now seems fairly certain that the annual export cannot exceed 5,250,000 lbs. The small fraction even of this, the lowest estimate, that passes through the Imperial Maritime Customs is destined for export by steamer from Hankow and Shanghai, as the likin levied by each province soon brings the total tax payment above the customs charges. This year's total is not likely to be exceeded in the future, even should the sharing of the whole duty between Szechuen and Hukwang not lead to extra taxes being imposed on the drug at its destination. The great bulk of the export goes either overland from Fu-chou to Kwangtung, Kwangsi, and Kiangsi, or by land or water from Chungchou, Fêng-tu, Wan Hsien, and other river towns to Shashih.

Opium crop.

The last crop was reported inferior in Szechuen as a whole, though the east of the province certainly did well, fair in Yünnan,* and moderate in K'ueichow. Shensi, which 20 years ago supplied Chungking, has utterly dropped out of the market.

Retail prices.

The retail price in this city had advanced at the end of the year from 150 cash to 200 cash per tael (say from 4*s.* 7*d.* to 6*s.* 1*d.* per lb.) for Szechuen and K'ueichow drug, and to 260 cash from 200 cash (say to 7*s.* 11*d.* from 6*s.* 1*d.* per lb.) for Yünnan opium, which is the sort most esteemed here. These prices include a likin of 5 cash per tael ($1\frac{1}{16}d.$ per lb.) levied on all opium entering Chungking in which the shops, the number of which is now and then forbidden to be increased, are said to number at present 928, to a population probably little over 200,000.

Official advice to cease opium growing.

In September the Superintendent of Trade issued a proclamation urging the people to grow cereals instead of opium. It is still on the walls, within sight of which flourishing fields of the poppy bear witness to its futility.

Has opium displaced cotton?

It has been suggested that opium cultivation has driven out cotton, and that, were opium forbidden, Szechuen would grow its own cotton. My enquiries fail to find any facts for this theory to rest on. Cotton has, so far as I can learn, never been a staple product of the southern half of the province. 50 years ago Szechuen imported, besides some raw cotton, great quantities of native cloth from Hukwang. From the time of the Taiping Rebellion, Hukwang native cloth has been gradually more and more displaced by foreign cottons and an increased import of raw cotton, till within the last few years the amount of the latter has been curtailed by the competition of Indian yarn.† What opium has displaced are beans, winter wheat, and especially rape, the consequent rise in the price of vegetable oil giving kerosene its opportunity. And it is unlikely that cereals will be grown in

* Much of the opium exported from Yünnan is taken to Kwangtung to be mixed with the Indian drug, and a good deal also goes to Hunan.

† There are still in Chungking about a dozen shops for sale of Hukwang cotton cloth, and the annual import is reckoned at 1,500,000 yards (width 15 inches to 16 inches), only a quarter of which amount is sold in this city.

place of opium so long as the latter crop yields a profit which, in this neighbourhood at least, exceeds that on wheat by some 80 per cent.

Silk.

Important as the trade in native opium is to the revenue of China, and interesting as the extent of its production is to the Indian Government, to British firms native opium is merely a valuable cargo. The staple product of Western China is silk. The chief producing centres for export are Paoning, Shunch'ing, and Mien Chou, the stout produce of Chiating being chiefly used within the province. An effort is being made to encourage silk production in this prefecture, the Taotai having issued a proclamation stating that he has sent to Chiating for young mulberry trees, which will be distributed gratis to farmers in spring.

Encouragement of silk production.

Business in 1892.

The year seems to have been a good one, as even the cautious dealers of Chungking confess that yellow silk paid expenses, while on refuse and cocoons profits were made. Shipments continued to be made as small lots reached this market up to the end of the year.

Wild silk.

There was a marked rise in the amount of wild silk exported through the Imperial Maritime Customs. It comes from the province of K'ueichow, where it is asserted to be so cheap as to compete seriously with imported foreign cottons.

Silk braid.

Llama braid, so largely imported at many ports, is here almost unknown. Its place is taken by a silk braid from Chêng-tu, about 1 inch wide, with quaint patterns in several colours, and by a narrow silk bordering, which the women of Chungking may be seen plaiting at their doors from reels of coloured silk-thread. Little of either of these manufactures is exported, feminine fashions varying apparently in each province in the matter of trimmings.

Musk.

The exports in musk from Yünnan, Tachienlu, and Kuan Hsien had a good year in that article and in deer-horns, which form part of their business.

Medicines.

Medicines, on the whole, did not pay. This export is an enormous item in Szechuen trade, but, owing to tariff differences, the bulk of it goes through the likin office. The supply comes chiefly from Chiating, Yachou, Yünnan, the Thibetan border, and from Southern Kansuh, whence especially comes "tang-kuei," "a drug supplied by several members of the order 'Umbelliferæ,' of which 'Ligusticum acutilobum' is probably one."—(Giles' Dictionary.) This drug forms the principal cargo of a special class of boats, built merely for the voyage down of very slight boards, and fastened with wooden nails, because the natives say there is such magnetic attraction in the bed of the Ch'ü River (the local name on the border for the Chiating), down which they pass, that iron nails would be drawn out. Without vouching for the accuracy of this statement one may well believe that the region of Kuangyuan, near the Shensi border, is rich in iron ore. It is mined in primitive fashion, and the iron reaches Chungking, by way of the Chiating, in considerable quantities.

Rhubarb. The rhubarb trade is reported to be constantly improving. The drug is bought up from the growers about Chiating by large dealers, who often advance money on the security of the crop.

White wax. In the early part of the year the price of white wax was so low here, as compared with Shanghai, that good profits were made. Telegraphic advices, however, soon let the fact be known, and holders raised prices.

Nutgalls. Safflower. Nutgalls did well, the price having been driven down by a rumour that the foreign demand had utterly ceased; but safflower, under the deadly competition of aniline dyes, lost money. Indeed, there seems to be every prospect of this item dwindling to insignificance.

Sheep's wool. Sheep's wool is a growing export, and some firms have begun to send agents to the north-west to buy.

Bristles, feathers, horns, leather. Bristles, in such a pork-eating province, are naturally abundant, and feathers, which would be more liked abroad if they were not scalded off in Chinese fashion, promise to become important articles of export, as do horns, of which and of leather the buffaloes that succumb to the unnatural conditions under which they have to work at the salt wells of Tzŭ-lui Ching supply large quantities.

Hemp. The Szechuen hemp exported is almost all destined for Hankow, to be made into ropes.

Sugar. Vast quantities of sugar pass down river from Nei-Chiang, a district 70 or 80 miles to the westward. Shipments to Shashih are said to average about 119,000 cwts. annually. The price is rising on account of the comparatively severe winter of 1892. The cane is grown in this neighbourhood, but only for chewing.

Tin and iron. Tin from the Yünnan mines is sold all over the province. An office has lately been opened in the city to raise 20,000*l.* to increase the business of the iron mines at Ch'ing-ch'i in K'ueichow province; 8 per cent. per annum is guaranteed for 3 years, after which a division of profits is to take place.

New exports. Grass cloth, some 1,000*l.* worth of which are annually sent to Hupei, Hams, from Ch'êng-tu and Yünnan, though many of the latter kind are said to be really prepared at Sui Fu, orange peel and coffin wood, of which the best comes from Ya-chou, are for the first time exported in chartered junks. Orange peel goes to Canton and the coast provinces to be used as a tonic. Curiously enough, the Chungkingese prefer Hunan peel for the same purpose.

Other sundries. The other sundries are tiger bones, china-root, fungus, and dyestuff, mostly "tz'ŭ p'i" (the root and bark of "Lithospermum erythrorhizon"). Yünnan indigo for Hukwang, like tobacco from Pi Hsien, near Ch'êng-tu, leaves Chungking in large quantities, but all through the likin office.

I am indebted to Mr. H. E. Hobson, Commissioner of Customs, for early access to the office copy of his returns.

Annex 1.—RETURN of British and Foreign Chartered Junks Entered and Cleared at the Port of Chungking during the Year 1892.

Nationality.	Entered.			Cleared.			Total.		
	Number of Vessels.	Tons.	Value of Cargo.	Number of Vessels.	Tons.	Value of Cargo.	Number of Vessels.	Tons.	Value of Cargoes.
			£			£			£
British	683	19,201	799,814	434	5,688	458,197	1,114	24,889	1,258,011
American	395	11,290	434,760	2	36	2,100	397	11,326	436,860
Chinese	128	3,027	114,094	240	4,052	194,277	368	7,979	308,371
Total	1,203	33,518	1,348,668	676	9,776	654,574	1,879	43,294	2,003,242
„ for period from June 17, to December 31, 1891	300	7,332	360 153	307	4,394	341,630	607	11,726	701,783

Annex 2.—RETURN of the Principal Articles of Import into Chungking during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Cotton goods—					
Shirtings—					
Grey, plain	Pieces ...	520,983	270,911	398,552	244,944
White, ,, ...	,, ...	84,432	42,075	74,156	54,690
Dyed, &c.	,, ..	19,365	13,803	10,306	6,940
Cottons—					
Prints, plain	,, ..	37,775	13,914	1,080	398
Turkey-reds	,, ...	28,956	14,430	17,489	10,748
Lastings	,, ...	24,150	15,698	6,269	4,625
Italians	,, ...	15,637	10,164	7,298	5,382
Cotton yarn—					
English	Lbs. ..	82,400	3,348	44,800	2,090
Indian	,, ...	17,096,667	555,648	11,065,367	408,034
Other cottons	...	...	32,987	...	23,844
Woollen goods—					
Camlets, English	Pieces ..	4,940	10,703	5,180	14,008
Lastings	,, ...	21,925	43,704	17,019	46,196
Long ells	,, ..	8,100	10,530	7,360	12,665
Cloth—					
Russian	,, ...	3,121	16,229	1,790	10,571
Italian	,,	8,541	9,377	7,449	9,156
Other woollens	...	...	16,701	...	10,066
Metals—					
Quicksilver	Tons ...	38	9,650	13¾	4,315
Other metals	...	..	3,135	...	1,577
Sundries—					
Bêche-de-mer, black .. .	Lbs. ..	156,097	17,859	125,084	17,297
Buttons, brass	,, ...	15,371	1,228	...	...
,, ,, ...	Gross ...	79,590	11,620	4,100	808
Dyes, aniline	...	...	18,436	...	11,431
Ginseng, American, clarifie..	Lbs. ...	22,863	20,434	22,973	21,179
Isinglass	,, ...	292,660	13,316	159,585	11,770
Seaweed and agar-agar ..	,, ...	2,012,925	11,448	1,738,935	8,015
Cotton, raw	,, ..	553,063	13,481	254,128	7,028
Cuttle-fish	,, ...	614,529	12,612	451,284	14,729
Medicines	...	...	19,884	...	5,291
Other articles	...	...	115,340	...	64,604
Total	...	...	1,348,668	...	1,032,400
Transit pass-goods from Ichang	...	...	80,635	...	...*
,, ,, Hankow	...	...	150,405	...	158,188
Grand total	...	...	1,579,708	...	1,190,588

* Included above.

Annex 3.—Return of the Principal Articles of Export from Chungking during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Bristles	Cwts. ...	4,531	8,801	677	1,491
Fungus	,, ...	3,944	14,159	2,612	10,232
Hemp	,, ...	11,149	8,522	4,957	4,299
Horns, cow and buffalo	,, ...	1,584	3,028	554	1,200
Leather	,, ...	1,401	3,314	1,422	3,817
Medicines	...	...	76,346	...	59,477
Musk	Lbs. ...	3,861	90,967	3,528	94,321
Nutgalls	Cwts. ...	9,713	15,909	8,216	15,269
Opium, native	Lbs. ...	344,819	89,853	73,420	20,804
Rhubarb	Cwts. ...	5,503	22,033	1,909	8,672
Safflower	,, ...	1,158	9,895	546	5,299
Silk—					
Raw yellow	Lbs. ...	645,313	167,781	516,201	152,278
,, wild...	,, ...	53,168	6,480	6,356	928
Cocoons	,, ...	35,168	1,875	55,920	3,315
Refuse	,, ...	1,102,431	35,829	1,239,401	47,708
Tin	Tons ...	69	5,048	28	2,196
White wax	Cwts. ...	9,988	69,079	6,815	53,478
Wool, sheep's	,, ...	12,474	13,622	6,173	7,649
Sundries	...	...	12,033	...	5,961
Total	...	...	654,574	...	498,314

Note.—Haikwan tael equivalent to 4*s.* 11*d.* in 1891, and to 4*s.* 4*d.* in 1892.

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1893.

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No. 1231.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF HANKOW.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1044.

Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1893.

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1220.	Antwerp	1d.
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1222.	Berlin	1½d.
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CHINA.

HANKOW.

Mr. Gardner to the Earl of Rosebery.

My Lord, *Hankow, March* 21, 1893.

I HAVE the honour to forward with this despatch a Report on the Trade of Hankow for the year 1892.

Owing to the severity of the winter, and to my not having completely recovered from an attack of influenza, I was unable myself to get about to acquire the necessary information. I therefore requested Mr. FitzGibbon, Consular Assistant at this Port, to draw up the Report. I venture to submit that that gentleman has performed the task in a very satisfactory manner, and I beg to submit his interesting Report to your Lordship's favourable attention.

I have, &c.
(Signed) C. T. GARDNER.

Report on the Trade and Commerce of Hankow for the Year 1892.

ABSTRACT of Contents.

	PAGE
Shipping	2
Freights	2
Trade and commerce	3
Foreign imports—	
Cotton goods	3
Woollen „	4
Opium	4
Metals	4
Sundries	4
Exports—	
Tea	5
Beans	8
Rice	8
Raw cotton	8
Buffalo horns	8

Abstract of Contents—continued.

	Page
Exports (continued)—	
Hides	8
Gallnuts	8
Hemp and other fibres	8
Tobacco	8
Gold	8
Transit passes	9
Public works	9
Cotton mill	9
Ironworks	10
Gun factory	10
Brick factory	10
Iron mines	10
Coal mines	10
Wharf	10
Fire-engines	10
Tables—	
Annex A.—Return of shipping	11
„ B.—Return of principal articles of import	13

Shipping.

During the year 1892, 844 ships, representing 713,272 tons, entered at the customs here, while 1,348, representing 764,988 tons, cleared outward. In the first of these totals the British flag is represented by 480 ships, of 459,303 tons, in the second by 485 ships, of 467,517 tons. Thus is shown an increase in all the shipping of 88,937 tons entered and 113,653 tons cleared over the tonnage of the preceding year, the British tonnage alone having increased by 50 ships, of 67,532 tons, entered, and 54 ships, of 74,985 tons, cleared. The total of ships cleared includes chartered junks, which do not enter at the customs on their return to Hankow. During 1892 the Norwegian flag was added to those regularly plying on the river.

Increase in total shipping of the port.

Increase in British shipping.

Norwegian flag appears on the river.

The low state of the water during the winter months caused much inconvenience to navigation, and steamers were frequently compelled to take very small cargoes; a few of deeper draught, not being able to reach Hankow, had to discharge their cargoes into lighters below the city wall. The Upper Yangtze was still worse, and communication with Ichang most irregular. The river is now rapidly rising, and steamers are beginning to resume their accustomed regularity. It is hoped that the long want of lights on the upper river will be soon satisfied.

Lights on Upper Yangtze badly wanted.

Freights.

Freights and passenger fares between Hankow and Shanghai have been exceptionally low during 1892 on account of the keen competition between the steamer companies. On the upper river between here and Ichang only three companies are represented, so that a better state of things has prevailed. The passenger traffic above Hankow would greatly increase if the steamer companies would endeavour to run their vessels on fixed days, as on the Lower Yangtze, and to improve their passenger stations.

Keen competition of steamer companies.

Trade and Commerce.

General. The total value of the trade of Hankow during 1892 was 13,555,647*l.*, against 15,364,309*l.* in 1891. The lower rate of exchange during 1892 makes the decrease appear greater than it really is, the Haikwan tael having been worth less than 4*s.* 6*d.* last year, while it averaged 5*s.* in 1891. The actual decrease shown by the customs returns only amounts to 1,209,915 Haikwan taels. The above figures represent the total carrying trade of the port, re-exports being counted twice, *i.e.*, both in the imports and exports.

Decrease not so great as the figures in sterling show.

The total is made up as follows :—

	Value.
	£
Foreign imports..	3,827,293
Native „	2,700,079
Exports	7,028,270
Total	13,555,647

Re-exports amount to—

	Value.
	£
Foreign	1,148,528
Native	1,477,855
Total	2,626,383

Increase in foreign imports. Notwithstanding the falling-off in the general value of trade, foreign imports have increased considerably. This is due to the improved communication with Ichang and the opening of Chungking as a treaty port. Foreign re-exports to those ports show an increase of 2,209,534 Haikwan taels, equal to 475,145*l.* The net total has remained much the same as in 1891, though machinery for the iron works here is a large item amongst the foreign imports of last year.

Imports.

Cotton goods, &c. Trade with Szechuan. The importation of cotton goods and yarn to Chungking has momentarily almost stopped, owing to high prices in Shanghai, while a low market has prevailed at the former city. The Szechuan buyers, however, are only waiting for the prices to fall, and we may soon expect a brisk revival of business in that direction.

Cotton factory at Wuchang. The cotton factory here has only just commenced working, and

has had no perceptible influence on the trade so far; whether it will do so in the near or distant future is not at present easy to determine.

If the factory can be supplied with cotton equal in quality to, and as cheap as, the best American, and if it can be worked as economically as a Manchester mill, there is no reason why it should not inaugurate a dangerous rivalry to the home and Indian factories by encouraging other provinces to imitate the example of Hupei and erect factories. The great difficulty will be probably the cost of management.

Shirtings and T-cloths. White drills. Chintzes, furnitures, and yarn.

Shirtings and T-cloths have remained in pretty much the same position as in 1891, white drills have declined about 20,000 pieces; chintzes, furnitures, and cotton yarn show a marked increase, as will be seen from the table annexed.

Woollen goods: Camlets. Lastings, long ells, Spanish stripes. Cloth.

In woollen goods camlets have fallen off by 6,000 pieces, while there has been no considerable fluctuation in the imports of lastings, long ells, and Spanish stripes. Broad and medium cloth has dropped from 8,654 pieces in 1891 to 2,769 pieces in 1892, and a similar decrease appears in lustres and Orleans. Italian cloth has improved by 8,650 pieces.

The Chinese being a cotton wearing people no great development of trade in woollen goods can be expected.

Opium.

Slight increase.

There has been an increase in the import of opium by about 1,200 lbs. over 1891. This is a mere fluctuation of the trade, and does not promise any further increase in the future. Besides, it has not all passed into consumption, but part of it is kept in bond at the customs.

Metals.

Wire nails. Made in America.

There has been during 1892 a large importation for native use of wire nails. These nails are made in America. They are not imported direct to Hankow, but are bought by native dealers in small parcels at Shanghai and distributed by junks at various ports and towns on the Yangtze not open to foreign trade. Thus they are in general use at Wusueh, and the native carpenters at Hankow are likewise beginning to use them. I venture to enclose a few specimens bought at Wusueh, 90 miles below this, for the information of Birmingham manufacturers.* It seems to me that as the native carpenters come to realise the superiority of these nails to the clumsy native ones the demand for them will greatly increase, and I am sure we can make them quite as cheap, if not cheaper, than in America.

Nailrod iron. Quicksilver. Lead.

The import of nailrod iron has increased by about 521,000 lbs., that of quicksilver by nearly 20,000 lbs. Lead in pigs show a falling-off of about 25 per cent.

Sundries. Umbrellas.

Umbrellas show an increase of 36,482 pieces. The foreign

* Sent to Birmingham Chamber of Commerce.

article is evidently supplanting the native one amongst the well-to-do classes.

The import of kerosene oil has decreased by over 1,000,000 gallons. Kerosene.

Sugar has not fluctuated to any great extent, most of this import is native produce, but is passed through Hong-Kong in order to be classed as foreign, and so obtain transit privileges. Sugar.

Exports.

I am indebted to the courtesy of Messrs. Evans, Pugh, and Company for the following notes on the tea trade during the past season. I reprint their report almost in toto. Tea.

"The following are the statistics of tea business transacted at this port during the season 1892–93.

"The total supplies of Hankow teas have been 605,292 half chests, against 649,729 half chests in 1891. Total supplies.

"The total first crop of Hankow teas was 482,441 half chests, against 498,000 half chests in 1891. First crop.

"The total settlements of Hankow teas on this market throughout the season were 517,589 half chests, against 562,801 half chests in 1891. Total settlements.

"Settlements of Kiukiang teas here during the season amounted to 215,179 half chests, against 321,763 half chests in 1891. Kiukiang teas.

"Shipments hence to London direct were 9,974,843 lbs., against 10,502,559 lbs. in 1891. Shipments to London direct.

"Shipments to Russia direct viâ Suez Canal show a very great falling-off when compared with the two previous years of large export, being only 15,423,702 lbs., against 24,428,124 lbs. in 1891, and 22,742,241 lbs. in 1890. To Russia viâ Suez.

"The shipment to Russia viâ Tientsin and northern ports were 12,000,000 lbs., against 16,000,000 lbs. in 1891. To Russia viâ Tientsin, &c.

"Russian business in first crop tea is estimated at 361,000 half chests, against 306,000 half chests in 1891, and in second and third crops at 57,000 half chests, against 89,000 half chests in 1891, making the total Russian settlements for the whole season 418,000 half chests, against 595,000 half chests in 1891. Total Russian settlements.

"The earliest arrivals of the season were from the Oonfaa and Kokew districts, samples from both places being shown on May 5. On the following day a few Ningchows were offered, but no settlements of any kind were made until May 7. Prices were very much higher that was expected, and much beyond the ideas of most buyers, and business in consequence dragged on very slowly at first. Business slow at first on account of high prices.

"In the first week of the season arrivals were extremely small. There had been 10 days' continuous and torrential rain, commencing from April 20, and this rendered the picking and packing of the leaf almost impossible, if it was to be brought to market in anything like sound condition. In consequence, the early crops

were very small, consisting mostly of what the teamen had been able to prepare before the rain. Up to May 13 the market kept unusually quiet, with very light arrivals, the daily settlements being, for so early a period of the season, almost nominal, but after that date supplies came in freely, and buying was soon more general, whilst at the same time there was a very marked fall in quotations all round. The early business of the season was almost entirely for Russia and for pure suitable teas, of the classes which were unlikely to be obtainable later on; there was very considerable competition, London buyers came in as prices fell for the common kinds, but for neither country was there any of the excited demand which prevailed in the previous season, when it was thought that fine teas would be scarce.

Early business.

Ningchow crop a bad one.

"As soon as a fair quantity of samples had been seen it was evident that the Ningchow crop was again going to be a poor one. Rain damage had done much to spoil it, but it also seemed as though there had been really little care given to its preparation, for only a few so-called crack chops were the opening prices paid.

Khemun crop fair.

"The Khemun crop was a fair one—not as good as the fine yield of 1891. All teas from this district found most ready and quick buyers immediately on arrival, and prices ranged a good deal higher than had been anticipated, seeing how bad the results of the previous year's shipment of similar kinds had been.

Oonfaas were the best.

"The best teas of the season were the Oonfaas, though the first arrivals of them looked disappointing as against the extra fine teas we saw in 1891. This crop as a whole was good throughout, the teas being in better condition than most other districts.

Kokews a failure.

"The Kokews were a dismal failure in every respect, very many of them being far too lightly fired, almost spongy, and tarry and sour in the cup. They sold at very low prices. The losses on them to the teamen were ruinous.

Chon-sow-kai.

"The Chon-sow-kai district sent some very nice teas, which were popular with Russian buyers, and readily taken. Very fair quality came also from the better Oopack districts, such as Young-low-toon and Soong-yong. Common kinds throughout the season were, as a rule, good and useful, the early Seang-tams being particularly attractive as low cast teas. There was, however, very much more mixing of the leaf in the country than has been the case even of late years, and to a great extent the old characteristics of the various districts were not distinguishable.

Oopack.
Young-low-toon.
Soong-yong.
Seang-tams.

Season's business done at cheap cost.

"The season's business was done at cheap cost, the average laying down price in sterling of the first crop being $10\frac{3}{4}d.$ per 1 lb., as against $1s.$ $4\frac{1}{4}d.$ per 1 lb. in 1891.

"As regards extent of supplies, it will be seen that there was a deficiency in the total first crop of all kinds of some 11 per cent., nearly the whole of the shortage being in Ningchows. The Hankow crop was not much less, and Khemuns and Hohows were about the same, as in the year before.

Shortage in Ningchow.

Small second crop.

"Only a small second crop was brought to the market, the low prices realised for first crop making the natives disinclined to prepare much.

"The high prices ruling for common teas in October induced the teamen to bring down a much larger third crop than they would otherwise have done, supplies being more than double the quantity expected. The figures of arrivals were 78,000 half-chests second crop, and 44,851 half-chests third crop, against 114,858 half-chests and 36,793 half-chests in 1891. Large third crop.

"In quality these teas were but an ordinary average. A moderate business was done in second crop for London on their first arrival, but the later demand was mostly for Russia.

"In second crop Ningchows and trifling transactions were reported here, and of Khemun second crop nothing was offered on this market.

"The first arrival of the new teas in London met with a most disappointing reception, which was to be accounted for in some measure, no doubt, by the disturbing influence on trade of a general election proceeding at the time the "Mayune" reached her destination. Disappointing reception of new teas in London.

"Prices opened lower than ever before known, being from 3*d.* to 8*d.* per 1 lb. less than the previous year. Very good quality common teas sold at 5*d.* per 1 lb., against 8*d.* per 1 lb., and really good Ningchow at 10½*d.*, against 1*s.* 6½*d.* chop for chop in 1891. Shippers had hoped for a demand from Russia, but this was not at first sufficiently strong to affect prices, and importers were from the beginning anxious to sell, knowing that cheaper cost teas were soon to arrive. Khemuns have done better than in 1891, their cost being very much less, but the result has not been anything particularly encouraging, though we believe the teas have been freely taken into consumption. The home demand has throughout been chiefly for low cost kinds, and as these were wanted both by the trade and exporters it became evident that the quantity of them would not be too large, and towards the end of September prices gradually hardened in London, becoming firmer rapidly, until in November there was a distinct advance from the lowest point of 1*d.* per 1 lb. on all teas under 6½*d.*, nothing in black leaf being obtainable inside 6*d.* per 1 lb. Ningchows have, as a rule, not given satisfactory results, the Russian demand not extending to a high enough price for them, and the trade wants being very small indeed for any tea over 1*s.* Low prices. Home demand chiefly for low cost teas.

"The trade during the past year has, no doubt, been assisted by the reduced quantities forthcoming from India and Ceylon, which will prove much under the inflated estimates, amounting to 200,000,000 lbs., put about in the spring, and everything now points to this being 20,000,000 lbs. too high, according to the latest information received. China tea trade during 1892 assisted by reduced quantities forthcoming from India and Ceylon.

"The home consumption of Congou for the 10 months ending October 31 amounts to 17,587,000 lbs., against 31,840,000 lbs. last year, and since the opening of the new season, say, for the four months from July 1 to October 31, it is only 6,482,000 lbs., against 12,287,000 lbs. These figures show a very serious falling-off, but the quantity exported from London has been fortunately well maintained. Congou.

Requirements for current year.

"It looks at present as if 16,000,000 lbs. of Congou may be the extent of requirements for home use during the current year —July to July—and if so this is a startling fact, which is a warning for the future conduct of the trade."

Decline in export to Russia.

The steady decrease in the export of China tea to England during the past few years, and the causes which have led to this result, have been given in previous trade reports. This last year, however, we find a very considerable decline in the export to Russia, viz., from 41,000,000 lbs. in 1891 to 27,000,000 lbs. in 1892. The cause of this decrease was the recent famine in Russia and consequent poverty of the people. I notice that the export of Ceylon and India teas to that country shows a similar falling-off. So far the competition of these latter for public favour in Russia has not affected the market for China teas, but it is very probable that a keen rivalry between them will arise in the near future.

New factory for brick tea.

A new factory for the manufacture of brick tea is being erected near this concession.

Beans.

There has been a very large export of beans from Hankow during the year under review. This was due to a revival of the bean-cake industry at Chinkiang.

Rice.

Owing to the scarcity of rice in Swatow and Ningpo a large export of that staple has taken place.

Raw cotton.

The failure of the cotton crop in Japan is the cause of the abnormal export of raw cotton to that country.

Horns.

A large export of buffalo horns took place during a part of 1892. They were used as a substitute for whalebone—probably an unsuccessful one, as the export has almost entirely stopped, and their price has fallen about 50 per cent.

Hides.

There was a very steady business done in hides, most of which were shipped to the Continent of Europe. Only about 5 per cent. of the total export went to London, and those were of inferior quality, South America and Cape hides being more suitable for that market. There was a very strong market for goatskins for shipment to the United States, and prices during the past two years have advanced 100 per cent.

Goatskins.

Gall-nuts.

In gall-nuts a very large business was transacted for Continental ports at steady prices throughout the season, while London only took about half the quantity of the previous year. The prices must show a very handsome profit to this country, as the cost of production is almost nil.

Hemp, &c.

In hemp and other fibres there have been orders from England, the Continent, and America, and as soon as suitable machinery is made for manipulating the article the trade will probably be an extensive one.

Tobacco.

The tobacco crop of 1892 was nearly equal to the very excellent one of 1890, and a fair amount has been shipped to London.

Gold.

A large quantity of gold, which does not appear in the customs returns, is now being exported from China. The depreciation of silver tempts the native to sell their hoards, but, instead of sending it through the regular channel of the customs and by steamers,

they, through fear of robbery, prefer to carry it in small parcels hidden in their baggage, or give it in charge to a native employé of the vessel, who gets a commission for his trouble.

Gold dust is found in the sand of the Yangtze, and a certain amount of washing is done at Chih-Kang, 40 miles belong Ichang, and at various spots above that port. Gold dust in Yangtze.

Transit Passes.

During 1892 the value of the inward transit trade was 1,131,814*l.* showing a slight decrease from 1891, which can be accounted for by the fact that the barrier dues have been recently reduced and the same saving is not effected by taking out transit passes as formerly. The number of passes taken out during last year was 63,530 passes, which were divided as follows:— Decrease. Cause of decrease.

Nationality.	Number of Passes.
British..	29,784
Chinese	24,383
American	9,363

No outward transit passes were applied for in 1892. This proves that the barrier officials are moderate in their demands. On the whole, the system works admirably especially inward, inasmuch as it keeps down inland taxation and allows our manufactures to be laid down cheap in the markets of the interior. Transit system works well. Keeps down inland taxation.

Public Works.

The cotton mill at Wuchang has been working during the last few weeks. The Viceroy was presented with the first two pieces of cloth turned out. He expressed himself much pleased with them. There are only a few looms working now as the manager finds great difficulty in teaching the Chinese, but he hopes to have them all going in a few months. 30 native operatives have been sent to the Shanghai cotton mill to be taught weaving. For the present, while continuing slowly at the looms, the manager will content himself with turning out yarn to the extent of about 40 tons per week. This yarn has found a ready sale, one dealer who previously imported large quantities of Bombay yarn being willing to take as much of it as he can get. Cotton factory.

The importation of Bombay yarn will be certain to suffer to some extent. Effect on Bombay yarn.

Chinese cotton is used in its manufacture. I enclose a small specimen of the first piece of cloth made at the factory.* They have more recently turned out better stuff. As none of it has Specimen of cloth enclosed.

* Sent to Manchester Chamber of Commerce.

yet been put on the market, I cannot say how it will compare in price with Manchester goods. It seems specially suitable for the sails of the innumerable small craft which ply on the water of this region.

New spinning mill projected.

A new spinning mill is contemplated, and a large piece of ground has been already secured in Wuchang for that purpose. The machinery will, I hear, be bought in England.

Ironworks.

The ironworks at Hanyang continue to make progress, but it is difficult to say now at what time they will be finished, I learn on good authority that the first work will be the making of rails for the contemplated railway between Hankow and Peking, two surveys of which have already been made.

Gun factory.

The work of building the gun factory has begun. It is hoped that it will be ready in a few months to receive the immense quantity of machinery which has lain so long in a mat shed at the works.

The rifles which will be turned out have long since ceased to be new, and I hear there is a large stock of the same pattern in Germany for sale, which the Chinese could buy much cheaper than they can hope to make them themselves. With commendable patriotism, however, they prefer to manufacture them in their own country.

Brick factory.

The steam brick factory has been at work for some time. It is capable of turning out 40,000 bricks per diem. The clay used is taken from the banks of the Han and Yangtze. They have not

Fire-bricks.

yet succeeded in finding a clay suitable for fire-bricks, all of which have so far been imported from England.

Mines.

Iron.

Since the date of the last Consular report from Hankow, the railway from Shih-hui-yao to T'ieh-shan-p'u has been finished, and a lot of iron ore carried to Hanyang. The cost of working it is about 5*s.* 6*d.* per ton.

Coal.

Coal.

Progress is also being made at the coal mines in this district. Three trial shafts have been sunk, the main one going to a depth of over 120 feet. It is found that the deeper the boring, the better the coal and more suitable for coking. It is estimated that the coal will at first cost about 8*s.* per ton at the shafts' mouth.

Wharf at Shih-hui-yao.

A large wharf to be erected at Shih-hui-yao for steamers, lighters, &c., to come alongside.

Fire-engines.

Fire-engines, like lifeboats, are in this region managed by a Shan T'ang or charitable institute, but each yamen has also got one under its own control. They are worked by hand and have no suction-hose, are fed by coolies with buckets. The engines, which are all made in Canton, measure about 6 feet by 2 feet, and

cost from 200 dol. to 400 dol. each. The hose is made of the finest hemp. A number of coolies are appointed to each engine, who rush to it from their ordinary work when the alarm is given. They receive a small monthly stipend of about 1 dol., and in addition expect rewards from the neighbouring house-owners after a quick and successful rescue. Cost.

In Hankow city alone there are some 50 engines.

It has often struck me that our fire-engine manufacturers could make small engines with suction-hose infinitely superior to the native ones which have none, and at a cheap cost. The engines would have to be of small dimensions on account of the narrowness of Chinese streets, but they might be made almost as large as a Sedan chair. Suitable ones might be made in England.

An incident very characteristic of the Chinese occurred at the last fire on the concession. The building, which was on the concession boundary, was surrounded by Chinese houses and several native engines came to the rescue, as well as our municipal fire-engine. After some time our firemen were astonished to find the engine would not work, when it was discovered that the Chinese coolies had severed the hose to fill their buckets from.

I have to thank Mr. R. B. Moorhead, Commissioner of Customs at this port, for his courtesy in placing the customs returns at my disposal.

Annex A.—Return of all Shipping at the Port of Hankow during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	7	2,490	473	456,813	480	459,303
Chinese	148	31,739	160	163,886	308	195,625
German	...	...	2	2,298	2	2,298
Russian	...	...	6	13,752	6	13,752
American	2	415	...	...	2	415
Japanese	...	...	1	840	1	840
Austrian	...	...	37	37,703	37	37,703
Norwegian	...	...	8	3,336	8	3,336
Total	157	34,644	687	678,628	844	713,272
,, for the year preceding ...	167	37,030	603	587,305	770	624,335

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	7	2,490	478	465,027	485	467,517
Chinese	644	74,466	162	164,494	806	238,960
German	...	...	2	2,298	2	2,298
Russian	...	...	6	13,752	6	13,752
American	3	582	...	...	3	582
Japanese	...	...	1	840	1	840
Austrian	...	...	37	37,703	37	37,703
Norwegian	...	...	8	3,336	8	3,336
Total	654	77,538	694	687,450	1,348	764,988
„ for the year preceding ...	448	63,090	604	588,245	1,052	651,335

Annex B.—Return of Principal Articles of Import to Hankow during the Year 1892.

Articles.		1892.	
		Quantity.	Value.
			£
Shirtings, gray, plain	Pieces ..	1,230,440	325,931
„ white	„ ..	573,205	264,390
T-cloths	„ ..	152,692	39,509
Drills	„ ..	94,786	49,767
Sheetings	„ ..	79,908	39,579
Chintzes and furnitures ..	„ ..	157,532	49,623
Cotton lastings	„ ..	60,948	39,769
Velvets	„ ..	14,491	19,563
Velveteens	„ ..	1,925	2,382
Cotton yarns	Lbs. ..	10,704,933	303,768
Other cotton goods	..	..	191,723
Total cotton goods ..	..	..	1,326,004
Camlets	Pieces ..	37,608	74,470
Lastings	„ ..	39,344	69,723
Long ells	„ ..	30,885	30,576
Spanish stripes	„ ..	10,245	20,514
Cloth, broad and medium ..	„ ..	2,769	13,706
Lustres and Orleans	„ ..	1,861	1,508
Italian cloth	„ ..	27,707	32,140
Other woollen goods	..	..	39,945
Total woollen goods ..	..	..	282,582
Opium	Lbs.	101,965	77,311
Copper, Japanese	„	941,310	22,238
Iron, nailrod	„	4,765,873	16,389
Tin, in slabs	„	292,840	13,145
Lead, in pigs	„	2,343,230	15,026
Quicksilver	„	82,136	9,148
Other metals	„	..	37,803
Total metals	..	..	114,249
Matches	Gross	740,575	36,742
Needles	Mille	497,435	17,878
Kerosene	Gallons ..	4,737,050	104,720
Sugar	Lbs.	13,752,267	97,487
Umbrellas	Pieces ..	169,992	12,222
Seaweed, Japanese	Lbs.	16,492,800	66,796
Pepper, black	„	2,060,534	31,644
Sandalwood	„	2,760,800	35,408
Clocks and watches	Pieces	8,110	3,070
Dyes, aniline	..	..	31,712
Bêche-de-mer	Lbs.	383,281	20,196
Ginseng	„	35,600	25,160
Other sundries	..	..	1,544,117
Total sundries	..	..	2,027,152
„ foreign imports ..	..	..	3,827,298
„ native imports ..	..	..	2,700,079
„ import trade ..	..	..	6,527,377

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF NINGPO.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 775.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1893.

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CHINA.

NINGPO.

Acting-Consul Hausser to the Earl of Rosebery.

My Lord, *Ningpo, April* 14, 1893.

I HAVE the honour to forward herewith my Report on the Trade of Ningpo, with Returns of Trade and Shipping annexed, for the year 1892.

I have, &c.
(Signed) P. F. HAUSSER.

Report on the Trade and Commerce of Ningpo for the Year 1892.

ABSTRACT of Contents.

	PAGE
Gross value of trade	1
Shipping	2
Native passenger traffic..	2
Imports	2
Exports	4
Transit trade	5
Ningpo steam cotton mill	6
Tables—	
Annex A.—Return of shipping	7
„ B.—Return of principal articles of export and import	8
„ C.—Total values of exports and imports	8

Total trade.

The gross value of the total trade of the port during the year 1892 amounted, according to the returns of the Chinese Imperial Maritime Customs, to 13,930,251 Haikwan taels, the highest figures recorded since 1874, and an increase of 931,302 taels over those for 1891. Converted into sterling at the average exchange for the year of 4*s.* 4½*d.* to the tael, as against 4*s.* 10¼*d.* for the previous year; this excess of nearly 1,000,000 taels is transformed into an apparent decrease of 107,711*l.*, as shown in the following table:—

	Currency.		Sterling.	
	1892.	1891.	1892.	1891.
	Taels.	Taels.	£	£
Foreign imports ..	6,723,068	6,191,316	1,470,671	1,502,684
Native „ ..	2,262,849	1,895,670	494 998	460,095
Exports..	4,944,334	4,911,963	1,081,573	1,192,174
Total	13,930,251	12,998,949	3,047,242	3,154,953

The higher currency values for 1892, whilst partly due to the factor of exchange, are mainly the result of an actual improvement in trade, the returns showing increased quantities as well as higher values, and the year having been, on the whole, a very prosperous one.

Shipping.

Shipping. The total tonnage entered and cleared during the year was 988,859 tons, as against 1,220,997 tons the previous year, and 1,052,662 tons in 1890. During those 2 years, however, the shipping business was considerably overdone, owing to the competition between the three rival steamer companies, and if the figures for previous years be taken the tonnage for 1892 will be found to be above the average. Vessels under the British flag show a decrease of 244,124 tons, attributable to the withdrawal in the early part of the year of the Indo-China Company's steamers running on the Shanghai-Ningpo line. Since then this branch of the traffic has been conducted on the old lines by one British and one Chinese steamer, sailing on alternate days, and amply sufficing for the requirements of the port.

Passenger traffic. The number of native passengers carried during the year to and from Shanghai was over 235,000. The rates of passage-money being 2 dol. and 1 dol. respectively for 1st and 2nd class native accommodation. Before the companies came to terms as little as 25 c., food included, had been charged for a passage.

Only one British sailing vessel entered the port during the year. She made two trips from Japan laden with coal.

Imports.

Imports. The gross value of foreign imports amounted to 1,470,261*l.*, of which 26,407*l.* came from Hong-Kong and 3,277*l.* from Japan. The value of foreign goods imported from Chinese ports was 1,440,684*l.*, an increase of 3,445*l.*, whilst imports from foreign countries fell nearly 50 per cent.

Opium. The total importations of this drug reached 6,226 piculs, being an advance of 154 piculs over the figures of the previous

year. More than 90 per cent. of the whole consisted of Malwa, which shows a slight increase, whilst Patna and Benares continue steadily to lose ground. This does not indicate any actual diminution in the demand, but is explained by the fact that these two varieties are consumed chiefly in the extreme north of the province, in the prefectures of Chia Hsing and Hu Chow, on the borders of Kiangsu, which, since 1887, have been enabled to draw their supplies more conveniently from Shanghai direct. In fact the opium trade of this port would be considerably less, and that of Shanghai correspondingly greater, were it not for the allowance of 3·80 taels per picul which has been made since 1888 to the dealers on all opium imported by them, the dealers in return guaranteeing the import of not less than 5,000 chests per annum. The anticipations that this rebate would bring the whole trade back to Ningpo have not yet been altogether realised, as is shown by the following figures:— Malwa. Patna. Benares.

AVERAGE NET IMPORT.

	Number of Chests per Annum.
1880–86	8,034
1887	4,389
1888	6,041
1889	5,932
1890	6,026
1891	6,027
1892	6,198

Sixty-five piculs of Persian opium were imported in 1892, against 17 piculs in the previous year, and an average consumption for several years past not exceeding 6 to 7 chests per annum. This large increase is ascribed to the failure of the native crop, and the consequent use of Persian as the cheapest available substitute. Persian opium.

Native opium also figures as an import in this year's return, 18·78 piculs of Ssŭ-chuan or Yünnan drug having found their way here from river ports. It fetched 330 taels per picul, whilst Chekiang opium, grown in the Taichow and Hsiangshan districts, to the south of Ningpo, was sold at 160 taels per picul for new, and 200 taels to 220 taels for old. The local crop was, however, a failure, owing to the prolonged drought in the early part of the year. Native opium.

Cotton goods show a remarkable advance on the importations of the previous year, which was the highest for many years past, the quantities being for 1892, 888,975 pieces, against 800,500 pieces in 1891. There is a notably large increase in both grey and white shirtings, amounting in the case of the former to 45,829 pieces. Most other staples, also, are better than in 1891. Cotton yarn in Cotton goods. Shirtings. Yarn.

particular having risen from 3,075 piculs to 16,932 piculs. This is used in increasing quantities by the native weavers to furnish the woof for their hand-looms, being found more economical, and less troublesome to work. Native cotton is, however, preferred for the warp, cloth made entirely from Indian yarn finding little favour.

Native cotton goods.

To be specially noted are the growing importations of Chinese drills, sheetings, and cotton yarn manufactured by the Shanghai Cotton Mill Company. These appeared for the first time in the returns for 1891, the figures for that year being drills, 240 pieces; sheetings, 400 pieces; yarn, 56 piculs. The import has now risen to 1,395 pieces, drills; 3,331 pieces, sheetings; and 105 piculs of cotton yarn. They are esteemed as of better quality and more suitable for native requirements than the foreign article.

Woollen goods.

The import of woollens was little above the average of former years, viz.: 13,451 pieces as against 11,391 in 1891. These figures appear remarkably small in comparison with the enormous consumption of cottons, and would seem capable of very con-

Objections to.

siderable expansion. Among the reasons alleged for the limited demand for this class of goods are their expensiveness and the preferences of the well-to-do for furs and silks, other objections being the additional weight of woollen garments, and the difficulty of keeping them clean.

Metals.

Metals appear to call for no special remark.

Sundries. Matches.

Among sundries, 274,101 gross of matches, mostly Japanese, were imported during the year as compared with 301,575 gross in 1891. Of these some 26,000 gross were native matches made in Shanghai and 16,000 gross matches of European origin, the consumption of the three kinds being thus approximately 84 per cent. Japanese, 10 per cent. native, and 6 per cent. European.

Kerosene.

The import of kerosene oil reached a total of 2,129,160 gallons, which, though less by 329,970 gallons than that of last year, is still an advance on any former year. 407,280 gallons were Russian oil, which seems coming into favour on account of its cheapness, as well as being supposed to give a better light.

Beancake.

The import of beancake appears in the returns for 1892 as 1,440 piculs, against 16,944 piculs in 1891. The cheap freights of that year enabled importers to ship by steamer, whereas in 1892 most of the beancake came by junk, and does not appear in the customs tables, though actually more was imported.

Exports.

Exports.

The exports for 1892 reached a total of 1,081,573*l.*, as against 1,192,174*l.* in the previous year. 2,521*l.* going direct to foreign countries whilst 1,079,052*l.* were sent to Chinese ports.

Tea.

Green tea, the staple export from Ningpo represents over 65 per cent. in value of the total exports during the past year, the shipments amounting to 21,665,000 lbs. as compared with

21,237,000 lbs. in 1891. At the beginning of the season profitable results were obtained in consequence of a combination between the native teamen and certain foreign shippers at Shanghai, having for its object the curtailment of supplies. By October the quantity assigned for Ningpo teas had all gone forward, but as the growers had not been taken into account there still remained some 30,000 chests on hand. An unsuccessful application was made to the local authorities to prohibit all further export during the season, but the Taotai, finding there had already been a large decrease in the customs revenue derived from tea, issued a proclamation calling upon all exporters to ship their remaining stocks forthwith. Regardless of the Shanghai agreement, and representing themselves as acting under compulsion, the dealers began to ship on their own account, and there ensued a general rush to bring the remaining teas to market. By the end of the year practically the whole had been absorbed, mostly by shipments on native account, a quantity of leaf, estimated at 10,000 piculs being kept back in the country to be mixed with the first pickings of next season. The only result of the experiment seems to have been to interfere with the teas going forward in the natural course, and to prevent fair profits being obtained on a full crop, and it is, therefore, hardly likely to be repeated. The prospects for the ensuing season are somewhat doubtful, the plantations being at first said to have suffered from the unusually severe winter, though this is not confirmed by later accounts.

Raw cotton. Raw cotton is the only article in which any considerable increase occurred, the export being the largest on record, viz., 49,810 piculs, against 28,239 piculs in 1891. The bulk went to Japan, Amoy, and southern ports, and one shipment is reported to have been made to Calcutta.

Rush hats. The trade in rush hats, though still far below the figures of former years, shows some signs of recovery from the disastrous effects of hasty production and deteriorated quality from which it has been suffering of late.

Cuttle fishery. The cuttle fishery was a failure and the export was less than half that of the previous year.

Transit Trade.

Transit trade. The number of inland transit passes taken out during the year was 25,312, covering goods to the value of 280,892*l*. This trade is almost entirely in the hands of the Chinese and is rapidly increasing every year.

Principal inland markets for cotton. The principal inland markets for foreign cottons are Ch'u Chow and Ch'ü Chow, which took between them nearly a quarter of the total import.

837,710 gallons of kerosene, and over 69,000 piculs of brown and white sugars were also conveyed into the interior from this port.

Hardly any native produce finds its way here under outward

transit pass, the likin charges on the principal articles of export being lower than the transit duty.

The transit pass system seems to work very smoothly in this province, and no difficulties have arisen during the year. There is no doubt that in this, as in other provinces, goods sent into the interior under transit pass are subject on arrival at their destination to the levy of the Lo-ti-shui or local octroi, the rates of which, on the principal articles of import, are said to be as follows :—

Local octroi.

Articles.		Amount.
		Cash.
T-cloths	Per piece ..	50
Grey shirtings	„ „ ..	75
Iron..	„ picul ..	45
Copper	„ „ ..	120
Kerosene	„ case ..	60
Sugar, white	„ picul ..	220
„ brown	„ „ ..	160

General.

Foreign cotton cleaning machinery.

The use of foreign machinery worked by hand for the cleaning of cotton is becoming general, and during the year some 300*l.* worth of Japanese-made hand-machines, costing 2*l.* 3*s.* to 3*l.* 5*s.* each, were sent into the interior, mostly to Shao Hsing.

Steam cotton-ginning mill.

The steam cotton ginning mill established 3 or 4 years ago on the bank of the river some 2 miles above Ningpo has been worked during the past year with continued and increasing success. The works have recently been considerably enlarged and new machinery added; since June last, when the extended premises were opened, the daily output has been increased to 390 piculs to 400 piculs per diem. Formerly 42 machines were worked, there are now 76 machines, each costing about 70 dol. laid down here. The work is carried on day and night with the following staff: day, 3 Japanese machinists, 76 men, and 120 to 150 women and children; night, 3 Japanese machinists and 110 men. The Japanese receive 20 dol. each per month, the men receive 20 c. each per diem, and women and children 10 c. each per diem.

The price paid for the seed-cotton varies from 3 dol. per picul to 4 dol. 20 c. per picul, 3 piculs* of it producing 1 picul of clean cotton, a saving of 40 per cent. as compared with the old fashioned native methods. The clean cotton is sold at the rate of 7 catties† best quality and 9 catties to 10 catties inferior quality per 1 dol., or 14 dol. and 10 dol. to 11 dol. per picul respectively.

The capital of the company is nominally 50,000 dol., supplemented on occasion by large loans from native bankers. The profits on the working of the mill are said to average 10,000 dol.

* 1 picul = 133⅓ lbs. † 1 catty = 1⅓ lbs.

to 15,000 dol. per annum; 450 out of the 500 shares in the concern being held by the head of a large silk-goods shop in the city.

It was in contemplation to further extend the business to the spinning of yarn, but the idea had to be abandoned on account of the strong opposition of the hand-workers.

Enquiries have recently been made as to the chances of successfully establishing a rival mill within the limits of the Settlement. There is undoubtedly abundant room for such an enterprise, which under proper management could not but prove highly remunerative, but the promoters would certainly have to reckon with determined opposition.

For the statistics annexed to this report, and for other information I am indebted to the courtesy of the Commissioner of Customs.

Annex A.—Return of all Shipping at the Port of Ningpo during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	2	1,140	195	236,582	197	237,722
Chinese	156	20,860	225	233,793	381	254,653
German	...	...	4	2,118	4	2,118
American	...	...	...	...	...	...
Total	158	22,000	424	472,493	582	494,493
,, for the year preceding ...	139	17,164	564	593,161	703	610,325

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	2	1,140	196	237,383	198	238,523
Chinese	152	19,932	225	233,793	377	253,725
German	...	...	4	2,118	4	2,118
American	...	...	...	...	...	...
Total	154	21,072	425	473,294	579	494,366
,, for the year preceding ...	140	17,612	563	592,360	703	609,972

Annex B.—Return of the Principal Articles of Export from Ningpo during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Paper fans	Pieces ...	2,012,835	13,958	2,247,009	18,543
Rush hats	,, ...	2,129,500	3,499	1,662,350	4,177
Mats	,, ...	1,106,679	24,209	1,096,227	25,276
Tea, green	Lbs. ...	21,665,733	703,504	21,237,733	758,285
Cotton, raw	,, ...	6,641,467	95,885	3,765,333	65,798
Cuttle-fish	Tons ...	2,119	33,875	4,915	80,159

Return of the Principal Articles of Import at Ningpo during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Opium	Lbs. ...	830,133	545,607	809,600	570,848
Cotton goods	Pieces ...	888,975	398,944	806,500	371,903
Woollen goods	,, ..	13,451	21,811	11,391	19,966
Iron	Tons ...	3,463	22,360	3,419	35,282
Tin in slabs	,, ...	1,512	145,107	1,142	162,020
Kerosene oil	Gallons ...	2,129,160	54,929	2,459,130	83,745
Sugar, white and brown ...	Tons ...	8,026	97,759	7,375	98,378
Matches	Gross ...	274,101	10,369	307,075	14,852
Shanghai mill cotton cloth ...	Pieces ...	4,726	2,688	640	332

Note.—Haikwan tael was equivalent to 4*s.* 4½*d.* in 1892, and to 4*s.* 10½*d.* in 1891.

Annex C.—Table showing the Total Value of all Articles Exported from Ningpo and Imported to Ningpo from and to Foreign Countries during the Years 1892–91.

Country.	Exports.		Imports.	
	1892.	1891.	1892.	1891.
	£	£	£	£
Great Britain	..	..	4	7
Hong-Kong	2,521	5,682	29,815	66,405
Singapore and Straits..	..	..	12	1,726
Continent of Europe, Russia excepted ..	..	..	228	1,782
Japan	..	..	3,277	6,193
Total	2,521	5,682	33,336	76,113

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF TIENTSIN.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 725.

Presented to both Houses of Parliament by Command of Her Majesty,
JULY, 1893.

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CHINA.

TIENTSIN.

Consul Brenan to the Earl of Rosebery.

My Lord, *Tientsin, April* 22, 1893.

I HAVE the honour to enclose my Report on the Trade of Tientsin for the year 1892.

I have, &c.
(Signed) BYRON BRENAN.

Report on the Trade and Commerce of Tientsin for the Year 1892.

ABSTRACT of Contents.

	PAGE
General trade of the year	1
Imports and exports	2
Shipping	3
Railway	4
Portland cement manufacture	6
Educational	10
Medical	10
Native press	10
Commercial syndicates	10
Tabular returns—	
Annex A.—Return of all shipping at the Port of Tientsin in 1892	11
B.—Return of principal articles of import	12
Return of principal articles of export	12

General Remarks.

The net value of the trade of the port was less than in 1891 by 1,722,000 taels (365,925*l.*), the falling off being largely in imports of Chinese origin. Compared with 1891, foreign imports show a falling off of 3 per cent. if measured by the silver standard, and of 16 per cent. if measured in gold. The figures are, for 1891, 18,431,290 taels (4,530,982*l.*) at the exchange of 4*s.* 11*d.*; and for 1892, 17,890,775 taels (3,801,890*l.*) at the exchange of 4*s.* 3*d.* Decrease in foreign imports.

Increase in native exports.

On the other hand the export of native produce amounted to 6,414,414 taels, equal to 1,363,063*l.*, in 1892, against 5,576,555 taels, equal to 1,649,731*l.*, in 1891. The fall in exchange between silver and gold must be largely responsible for the large decrease in the imports measured in gold, and large increase in exports measured in silver.

The falling off in the import trade appears chiefly in the following goods: drills, sheetings, Turkey reds, towels, English cotton yarn, camlets, long ells, aniline dyes, window glass, matches, and kerosine oil. Whilst English cotton yarn has declined, the

Increased import of Indian yarn.

import of Indian yarn continues to increase rapidly; the quantities for 1891 and 1892 being 15,225,600 lbs., and 20,020,900 lbs. respectively. A considerable falling off in matches may be attributed to the competition of a local manufactory, which, after

Matches.

Local factory.

a chequered career of 7 or 8 years, has at last succeeded in turning out a very inferior article at a low cost, which suits native requirements, and of which the supply cannot keep pace with the demand. For a couple of years the factory was under the management of a former employé of Bryant and May's, but the establishment is

Now independent of foreign skill.

now independent of foreign skill; and the natives seem to have learnt the process very readily. The wood is imported from Corea, the chemicals from England, and the paper and labels from Japan, so that labour is all that Tientsin contributes, but the local product has one advantage over the foreign importation in that it escapes the import duty of 5 per cent. ad valorem. These matches are sold retail at the price of about 6 boxes (each containing 80 matches) for a $\frac{1}{2}d.$ The matches most frequently seen in the market are Austrian. Some Japanese matches also

Forged trade marks.

find a sale here, and at one time those interested in the trade complained that the Austrian trade marks were imitated in Japan, and that Japanese matches were sold at Tientsin as Austrian. An appeal was made to the Chinese authorities to forbid the sale of the counterfeit article, but they refused to interfere, and suggested that as the offence was committed in Japan, it was to the Japanese authorities that a complaint should be made.

In exports the increase was mainly in skins (furs), sheep's and camels' wool, goatskin rugs, medicines, and coal.

Carpets of local make.

It might have been expected that the carpets made locally would have been more largely exported as they became known. They are made of sheep's and camels' wool in any sizes, and the Chinese can copy any design not too complicated. The cheapest quality cost about 4*d.* per square foot, but three or four times that price may be paid for finer work, the price varying with the closeness of the threads in the wool and warp.

As carpets are not used in Chinese houses there is very little demand for them. Those that are made are principally for foreign residents in China. There are no regular factories; the makers work in their own houses, and it is seldom that more than one carpet is in hand at once. Left to themselves the Chinese work in the same groove, and make no attempt to improve; but under foreign supervision much better work could be turned out.

With artistic designs, fast colours, and a neater finish there is little doubt that a very superior article could be produced, and with such cheap materials and labour it seems as if a profitable trade could be developed.

Wool. Every year wool is collected from more and more remote regions; the bulk comes from Mongolia, the province of Kansuh, and Northern Thibet. It is all brought to the town of Kuei Hwa Ch'êng, the great entrepôt for wool; and here it is repacked and despatched to Tientsin. The difficulties of transport are great; sometimes, when camels are scarce, wool has to be left at Kuei Hwa Ch'êng for 6 months waiting for the next season when camels can be obtained.

The natives up country seem to exercise no care in sorting or packing the wool; dirt and sand are wilfully mixed into the strands; and although the foreign merchants at Tientsin, who buy by weight, deduct for all the dirt thrown out by the cleaning machines, still the practice continues, and a large quantity of sand is transported to Tientsin from distant parts at a cost of something like 15*s.* per cwt.

In sorting out the sheep's and goats' wool, a small lump is occasionally found of an exceedingly fine quality which would command a high price if it could be obtained in any quantity; but the first hands who collect the wool in the remote west have not yet found it worth their while to separate the different sorts. Some years ago, half a dozen merino rams were sent up to Mongolia. It speaks much for the expertness of the New York custom-house officials that in due course they detected the improvement in the wool, and caused enquiries to be made whether merino wool was exported from Tientsin.

Decline in native imports. The import trade in native produce has fallen off considerably, from 13,062,000 taels in 1891 to 11,049,000 taels in 1892. The diminution is most noticeable in the following goods: raw cotton, preserved eggs, rice, sugar, and tea. There are two items which appear in the table of native imports for the first time—cotton sheetings and drills, manufactured out of native cotton at the Shanghai mills.

Shipping.

Shipping. As the annexed table will show there is a slight decrease in the number of steamers, and a slight increase in the tonnage.

Larger steamers. The steamers specially built for the Tientsin trade are now much larger than they were some years ago. After an experience of 30 years the steamship companies have found that the most suitable type of steamer is one of about 1,000 tons measurement that can carry 600 tons dead weight on a draught of 11 feet, and 1,500 tons on a draught of 14 feet. As a rule steamers cannot cross the bar at Taku drawing more than 11 feet, but lightening can be accomplished so quickly that if a low tide is expected a steamer can lighten 4 or 5 feet in a few hours.

During the year the custom-house framed regulations under

Rules for transport of cargo by rail.

which cargo could be discharged at the railway station near the mouth of the river, and then brought on to Tientsin by rail; but throughout the year the depth of water in the river was sufficient to enable any vessel that had crossed the bar to come right up to Tientsin.

Native company favoured by Chinese authorities.

In the keen competition which went on between the different companies, the Chinese owned steamers were surreptitiously favoured by the Chinese authorities giving privileges to Chinese passengers and shippers who patronised the native company. Passengers holding an official position—and this qualification is easily claimed—may as a favour obtain a permit exempting their luggage from customs examination. This favour was refused to any person who did not intend to travel by the Chinese company's steamer. Similarly, a remission of the import duty on rice was allowed to merchants shipping by the native company. Various artifices had to be employed to make detection difficult and conflicting evidence unattainable, for the Chinese authorities did not assert their right to favour the Chinese flag.

Railway.

Railway.

The railway which is eventually to connect Tientsin with Kirin in Manchuria is now completed for a distance of 114 miles beyond Tientsin. There remains a length of 530 miles to be constructed. From Tientsin to Kuyeh (94 miles) the line is owned by the China Railway Company, and beyond this point it is a State Railway. The management of both lines is entirely official; and while separate accounts are kept, the same body of directors, nominated by the Viceroy Li Hung-Chang, controls both lines.

At the outset it was announced that the railway would be a purely commercial undertaking managed entirely in the interest of the shareholders, but from the beginning the Chinese public was shy of investing its money, and the railway company could not come into existence without official support. The necessary capital was subscribed by a limited number of officials, and except that the shareholders derive an uncertain return from their investment, the company's section is virtually a Government line. No accounts are issued, showing the working expenses of the line or the net receipts, but I have reason to believe that the expenditure nearly equals the receipts.

Official support.

Large staff.

The office staff is out of all proportion to the business of the company. At the head office in Tientsin there are 100 clerks, most of them forced on the directors by importunate friends; and the stream of applicants keeps pace with the development of the line. Recently the directors have put a notice in the local Chinese paper stating that there are no more vacancies; and while thanking those who have recommended so many efficient employés, they announce that no more applications or recommendations can be taken into consideration.

It is not likely that the financial success of Chinese lines will ever prove a stimulus to railway extension. It is evident that the Government intend to retain control of the lines, whether they are built with public or private money. Financial success improbable.

The traffic over the company's line of 94 miles between Tientsin and Kuyeh during 1892 was as follows :— Traffic.

	Number of Passengers.
First class	8,505
Second class	479,816
Total	488,321

	Amount.
	Taels.
Passenger fares	90,000
Freight on merchandise (not including coal)	45,993
Freight on 240,000 tons of coal	99,658
Total traffic receipts	235,651

The number of employés engaged on the existing line is—

	Number of Employés.
Foreigners	13
Chinese	940

The above returns cannot be accepted as data on which to base calculations of the traffic which may eventually come to the railway when it is extended.

The existing section was constructed with the object of connecting the collieries at Tongshan and Linsi with the Peiho River at Tongku, and with Tientsin. It passes for the greater part through absolutely sterile country, and at present does not form a link between any places of commercial importance.

The fares are extremely low, but the accommodation is not luxurious. The first class carriages are about as good as the third class on our suburban lines; and between the first and second there is little difference. The higher fares of the first class keep out the coolie class, and the carriages are cleaner and less crowded. The average fare for first class is a little over $\frac{1}{2}d.$ per mile, and for second, half this. Fares and accommodation.

The State railway beyond Kuyeh is extending at the rate of State section.

about 50 miles a year, but how many years will elapse before the line reaches Kirin depends greatly on political events. Being avowedly a strategical line, circumstances might arise which would tend to hasten its completion, and it is the opinion of competent engineers that if needs be it could be finished in 18 months. At present an annual sum of 2,000,000 taels (400,000*l.*) is sanctioned for railway construction, but it is doubtful whether this sum is actually forthcoming, or whether it is wholly spent in railway construction.

I am indebted to Mr. R. Finch, the manager of the works, for the following account of the local Portland cement manufacture:—

Portland Cement Manufacture.

Portland cement manufactory. Plant.

The works are situated at Tongshan, 80 miles from Tientsin; they were erected 3 years ago. The plant, which is of the most modern description, consists of—

12 pairs 5 feet millstones
1 wash mill
2 wet mills
3 slurry pumps
2 stone-breakers (Blake Marsden's)
2 rotary clay mills (Carter's)
Elevators, &c.
1 300 h.-p. condensing horizontal engine
2 30 feet × 7 feet Galloway, Lancashire boilers
21 dome-pattern kilns, 90 tons and 75 tons, with arrangement for drawing-off the carbonic acid
2 drying ovens
20 slurry "backs"
1 complete set of cask-making machinery, equal to 400 casks daily
1 gasworks
Workshops, warehouses, tramways, &c.

By a branch line the works are connected with a railway running to Tientsin.

Materials used.

The raw materials used are mountain limestone, fire clay, marl, and a rough kind of China clay, all of which are found in the immediate neighbourhood of the works. The fuel used in the works is hard furnace coke made on the premises from the local bituminous coal.

Process of manufacture.

The process of manufacture is somewhat more elaborate than that adopted in the Thames works, much greater care and attention being necessary here to ensure the production of good Portland clinker. Here the limestone and clays have first of all to be reduced to an almost impalpable powder. Their respective analyses being ascertained, it is then passed through the brush mill, from whence it is pumped into the "backs," to be eventually moulded into bricks for burning into cement in the kilns. The greatest possible watchfulness has to be exercised at the "washing" part of the process by reason of the limestones and clay being so variable in quality as it is delivered into the works, an analysis of

the slip being necessary every half-hour or so. By paying close attention to this, slurry of uniform analysis is obtained. Owing, however, to the different densities of the raw materials used, they settle down in the "backs" in their distinctive strata, and before the brick moulding can be done, it is necessary to thoroughly turn over the slurry with the shovel, and tread it well under foot in order to obtain an uniform mixture. The bricks are then transferred to the drying ovens, and in due time taken to the kilns for conversion into Portland cement clinker. Nothing but true clinker is ground at the Tongshan works. The resulting Portland cement is of great density, viz., 158 lbs. per bushel. The present output is 300 tons per week, and that is the limit of the capacity of the works. It is all used at the various works of the Imperial Government, viz., harbours, forts, Yellow River embankment, railways, arsenals, &c., very little finding its way into the hands of private consumers. There is every probability that the demand will soon be largely in excess of the existing works. The cement is guaranteed to stand a tensile strain of 400 lbs. per square inch after having been immersed in water for 7 days. As a matter of fact it invariably tests much higher. Every day's work is tested in the following manner:—The man in charge of the grinding (a foreigner) draws a sample from each pair of millstones every half hour. At the end of the day the whole is mixed uniformly and taken to the testing room. It is there tested for fineness, and 12 test briquettes are made from the same, 23 per cent. of water being used in gauging the cement. After standing in the moulds for 24 hours (note having been made of the time occupied in "setting"), the briquettes are each marked and placed under water for 7 days (each being examined from time to time for any signs of blowing or shrinkage, the usual glass test being of course adopted as well); at the expiration of this time they are taken direct from the water, and tested for tensibility and compressibility in patent cement-testing machines. If the cement passes the tests, it is handed over to the storekeeper for delivery. At the time of delivery it is again sampled and tested, and a record of each test is kept.

For some time considerable difficulty was experienced in obtaining cement of uniform quality. It was no easy matter to get the ignorant, slovenly Chinese coolie to understand the absolute necessity of accuracy and carefulness in every stage of the process. No reliance whatever could be placed on the native foreman, nor any assistance expected from them, their ideas being just as loose and crude as those of the coolie. But by dint of perseverance and sticking to one set of men, something like system has been established, and the work technically proceeds with the utmost satisfaction, the output being as uniform in quality as it is possible to obtain anywhere. The fuel (furnace coke) employed in the kilns was also a great source of trouble at first. In order to effect its combustion, a very free passage of air is necessary; but unless the greatest care is exercised at this stage of process, the heat produced is so intense, that complete fusion at once takes place

at the very bottom of the kiln, thus shutting off all draught—in other words, the decarbonisation and subsequent fusion of the upper layers of the kiln are arrested. By the introduction of air passages throughout the depth of the kiln this difficulty has been completely overcome, and the even and uniform clinkering of the entire mass is now effected with great regularity, 48 hours being sufficient for a 90-ton charge.

Control.

The technical work, including a large chemical laboratory and assay office in which the minerals from the various mines and establishments of the Chinese Engineering and Mining Co., as well as of the Government, are analysed and assayed, is under the control of an English manager whose sole foreign assistant is an English millwright.

Working season and length of working day.

Owing to the severity of the winter, it is impossible to do any mixing for 4 months in the year, so that the output is limited to about 9,500 tons per annum. The works are in full swing 16 hours a day, including Sundays.

Analyses of materials and products.

Analyses of limestones and clays used in the manufacture, also of the cement produced, are appended.

LIMESTONES.

Components.	No. 1.	No. 2.	No. 3.	No. 4.
	Per cent.	Per cent.	Per cent.	Per cent.
Silica	6·05	13·61	10·31	1·62
Alumina	1·10	1·83	3·74	1·01
Lime (carbon)	90·91	81·01	79·72	97·01
Ferric oxide	1·20	2·52	3·57	·28
Magnesia	·08	·15	·26	·02
Organic matter and water..	·66	·88	2·40	·06
Total	100·00	100·00	100·00	100·00

CLAYS, MARLS, &c.

Components.	No. 1.	No. 2.	No. 3.	No. 4.
	Per cent.	Per cent.	Per cent.	Per cent.
Silica	54·00	39·31	27·58	27·55
Carb. lime	2·58	11·64	..	..
Alumina and iron ..	26·40	29·60	23·02	26·24
Magnesia	·10	·47	·94	·50
Phosphoric acid ..	·07	..	..	..
Water, &c.	16·85	18·98	48·46	37·96
Total	100·00	100·00	100·00	100·00

Tongshan Portland Cement.

Components.	No. 1.	Remarks.
	Per cent.	
Silica	24·31	Briquette 7 days in water, gauged with 23 per cent. water, tested 1,620 lbs. = 720 lbs. per square inch tensile strain. Briquette set in 4½ hours.
Alumina	10·70	
Magnesia	·03	
Ferric oxide	·37	
Lime	64·03	
Carbonic acid	·54	
Water	·02	
Total	100·00	

Components.	No. 2.	Remarks.
	Per cent.	
Silica	24·36	Briquette 7 days in water, gauged with 23 per cent. water, tested 1,610 lbs. = 716 lbs. per square inch tensile strain. Briquette set in 4½ hours.
Alumina	10·65	
Magnesia	·04	
Ferric oxide	·37	
Lime	64·17	
Carbonic acid	·40	
Water	·01	
Total	100·00	

English Portland Cement Imported during the Year 1892 by the Imperial Chinese Railways.

Components.	Per Cent.	Remarks.
Silica	23·49	Briquette 7 days in water, gauged with 23 per cent. water, tested 780 lbs. = 347 lbs. per square inch tensile strain.
Alumina	9·70	
Ferric oxide	2·02	
Magnesia	2·32	
Carbonic acid	1·80	
Lime	59·17	
Sulphur	·34	
Water	1·16	
Total	100·00	

Educational.

Naval, &c., schools.

Naval, military, and engineering schools for the education of recruits for the army and navy have been in existence for some

Private school.

years, but there has lately sprung up a private school where at present some 50 boys are taught English. So great is the demand for youths who can speak and write English that the students are tempted away from the school before their course is completed. They find employment in merchants' offices and on the railway, and they command wages which a clerk, whose sole accomplishment was a knowledge of Chinese, could not aspire to.

Medical.

Medical school.

Under the auspices of the Viceroy Li Hung-Chang there will be opened in the course of a few months a medical school, where 20 students will acquire a knowledge of foreign medicine and surgery. The school will be connected with a hospital which is now kept up at the expense of the Viceroy and other Chinese officials.

This medical school is established not so much for the benefit of the public at large, who still prefer the native quack, as for the purpose of obtaining a supply of doctors for the fleet, military camps, arsenals, and other Government establishments.

Native Press.

Native newspaper.

Some years ago a Chinese newspaper was started in the sanguine expectation that it would become a valuable property. It has been conducted under foreign guidance and protection, and it must be pronounced a failure. The circulation is less now than at the start, and this has never reached 2,000 copies a day. There are many difficulties in the way of success, the greatest perhaps being the want of means of distribution, and the paucity of matter to fill the columns. The ordinary Chinese reader does not care for general news; he likes gossip, scandal, and literary dissertations.

A Chinese newspaper not under foreign protection would have to be a very colourless production. All connected with its editorial staff would be daily exposed to prosecution and molestation, whereas behind the broad back of the extra-territorialised foreign proprietor, real or fictitious, the Chinese editor may venture on criticisms or insinuations without danger. Indeed, so timorous of publicity or exposure are the Chinese that a good share of an editor's emoluments must consist of the douceurs he receives as hush-money.

Commercial Syndicates.

Syndicates.

During the course of the year the syndicate representing several large French manufacturers brought together by the

Comptoir d'Escompte de Paris, which had come to China in 1885, closed its business, and withdrew from Tientsin. The only important contract the syndicate obtained was for the construction of the docks and workshops at Port Arthur; and over this it is understood the contractors lost a good deal of money. Deluded by its own sanguine expectations and the vague promises of the Chinese authorities, the syndicate established itself on a vast scale, prepared to undertake large public works, which never went beyond the paper stage.

English technical agent should visit Tientsin.

I would not advise my countrymen to be so confiding, but if it were possible for some of our large manufacturers to combine it might be well that a technical agent should visit Tientsin, which is the official and commercial centre of the north of China, where most progress is being made. Fortifications at various points of the coast are in course of construction, mines are being opened, the railway is being extended, and iron bridges are beginning to take the place of the short-lived wooden structures.

Right method of procedure.

One may not count on the Chinese deciding for themselves what they are in need of, and then procuring the best article in the best market. The man who educates them to feel a want and is ready to supply it while they are in the humour is the man who succeeds. Before orders can be expected the official heads of departments must be cultivated and propitiated in the Chinese way, and this is a work of time. An occasional visit of a travelling agent, who offers his wares, however excellent, in the "take-it-or-leave-it" spirit, has little hope of success when dealing with Chinese officials; and officials are found at the head of every concern of any magnitude. Our keen competitors, the Germans, understand this, and are now in a much better position to profit by any progressive movement which may take place in the country.

Annex A.—Return of all Shipping at the Port of Tientsin during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	35	16,150	250	230,438	285	246,588
Chinese	...	...	306	223,592	306	223,592
Japanese	...	...	19	17,336	19	17,336
German	11	4,832	18	11,493	29	16,325
All others	4	2,559	6	3,582	10	6,141
Total	50	23,541	599	486,441	649	509,982
,, for the year preceding ...	51	23,723	623	484,290	674	508,013

CLEARED.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	35	16,150	250	230,438	285	246,588
Chinese	...	...	306	223,592	306	223,592
Japanese	...	...	19	17,336	19	17,336
German	11	4,832	18	11,493	29	16,325
All others	4	2,559	6	3,582	10	6,141
Total	50	23,541	599	486,441	649	509,982
,, for the year preceding	49	23,174	623	484,290	672	507,464

Annex B.—RETURN of Principal Articles of Import into Tientsin during the Years 1892–91.

Articles.		1892.*		1891.†	
		Quantity.	Value.	Quantity.	Value.
			£		£
Foreign goods:—					
Opium, Malwa	Lbs.	200,800	155,355	181,933	164,170
Shirtings—					
Grey, plain	Pieces	1,194,769	447,980	1,197,286	524,119
White	,,	592,676	290,670	591,183	347,052
Sheetings, American	,,	1,088,244	554,693	1,153,039	714,666
Cotton yarn, Indian	Lbs.	20,020,933	638,950	15,125,600	624,483
Iron wire	,,	1,879,200	22,027	1,771,600	25,743
Buttons, brass	Gross	140,211	26,361	125,534	21,585
Dyes, aniline	Value	...	41,953	...	62,959
Matches	Gross	318,141	40,018	515,136	80,494
Needles	Mille	1,448,072	27,541	1,212,050	33,990
Sugar—					
Brown	Lbs.	8,120,933	42,248	8,870,266	50,726
Refined	,,	6,194,333	53,246	6,582,400	111,079
Native goods:—					
Chinaware, fine	,,	1,171,733	41,196	902,133	38,060
Fans, paper	Pieces	1,442,284	37,621	1,623,094	50,721
Oil, wood	Lbs.	4,565,333	46,512	3,937,466	56,450
Paper, first quality	,,	3,354,800	96,975	3,920,800	136,003
Rice	,,	339,509,200	283,449	297,375,866	755,143
,, tribute	,,	134,796,133	329,192	132,879,333	348,808
Silk piece-goods	,,	197,200	215,809	153,200	201,145
Sugar, brown	,,	23,108,000	103,613	37,787,866	216,099
Tea, green	,,	2,553,333	79,794	3,371,200	126,420
Wood, poles	Pieces	257,810	136,959	205,544	131,033

* 1 Haikwan tael = 4*s*. 3*d*. † 1 Haikwan tael = 4*s*. 1l*d*.

RETURN of Principal Articles of Export from Tientsin during the Years 1892–91.

Articles.		1892.*		1891.†	
		Quantity.	Value.	Quantity.	Value.
			£		£
Straw braid	Lbs.	5,931,600	128,375	5,589,870	150,795
Caps, felt	Pieces	222,522	6,955	232,961	8,867
Coal, K'aip'ing	Tons	85,589	76,180	95,552	96,123
Dates, black	Lbs.	10,962,700	68,635	8,874,000	66,596
Medicines	Value	...	117,355	...	117,649
Skin, fur, rugs, goat	Pieces	636,657	101,130	519,472	93,322
Wool—					
Camels'	Lbs.	3,348,270	42,900	2,433,200	43,814
Goats'	,,	686,400	12,370	1,223,600	37,712
Sheep's	,,	16,359,733	260,790	12,016,800	256,891

* 1 Haikwan tael = 4*s*. 3*d*. † 1 Haikwan tael = 4*s*. 1l*d*.

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1893.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

TRADE OF SHANGHAI.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1101.

Presented to both Houses of Parliament by Command of Her Majesty, JULY, 1893.

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CHINA.

SHANGHAI.

Consul-General Hannen to the Earl of Rosebery.

My Lord, *Shanghai, May* 10, 1893.

I HAVE the honour to forward a Report on the Trade of this Consular District for the past year, which has been prepared by Mr. Consul Jamieson.

I have, &c.

(Signed) NICHOLAS J. HANNEN.

Report on the Trade and Commerce of the Consular District of Shanghai for the Year 1892.

ABSTRACT of Contents.

	PAGE
General résumé—	
Years' trade fairly satisfactory	2
Demand for foreign manufactures steady	3
Rise in prices during year	3
Total value of imports and exports	3
Increase in shipping	3
Continued fluctuations in exchange source of great embarrassment	3
Bank failures, restriction of credit	4
Enforced alteration in mode of conducting import business—	
Indent system	4
Chinaman becoming the real merchant	4
Probable effect of the change caused solely by exchange difficulties	5
International agreement the only remedy	5
Imports of foreign origin—	
Whence derived—comparative table	6
Manchester goods	6
Progress in grey shirtings, import	7
,, white ,, ,,	7
Decline in import of T-cloths	7
Competition of Eastern mills	7
Drills and sheetings falling-off in	8
Comparative table	8
Cotton yarn, demand for still growing	9

Abstract of Contents—continued.

	Page
Local manufacture of	9
Comparative table	9
Woollens	9
Metals	9
Kerosene oil	9
Sugar	9
Opium	10
Exports—	
Tea and silk for many years practically the only exports	10
Proportionate value up to 1875	11
List of exports gradually widening	11
Comparative statements up to date	11
Great falling-off in tea and great increase in general class	11
Purchasing power of China depends upon her exports	12
Comparative table of exports showing increase since 1870	13
Bulk of articles are of limited demand	14
Grain finds no place in table of exports	14
No great increase to be anticipated unless in tea or silk	14
Fall in silver the principal stimulant	14
Silk—	
Export of	15
Rise in price of raw silk	15
Increased export in consequence	15
Local filatures have done well	15
Silver price of raw silk unchanged for 20 years; gold price fallen 50 per cent.	15
Tea—	
Continued decline in export and in values	16
Trade during year has not been profitable to exporter	16
Brick tea, demand steady	16
Tablet tea	16
Green tea has paid better	16
Local industries—	
Cotton mills	16
Production during year	17
Monopoly claimed by existing mills unlikely to be maintained	17
Probable rapid extension	17
New official mill opened at Hankow	17
Reasons for thinking that mills in Shanghai would pay well	17
Silk filatures	18
Chinese methods of reeling silk faulty	18
Great improvement possible	18
Enhancing value of silk	18
Three filatures now employed using foreign machinery	18
Probable extension	18
Woosung Bar—	
Prospect of something being done	18
Report on the Mixed Court at Shanghai	19
Tabular returns—	
Annex 1.—Number and tonnage of vessels entered and cleared	23
2.—Movements of British vessels	25
3.—Return of principal foreign articles of import	26
4.— „ native „ „	27
5.— „ „ „ export	28

General Résumé of Trade.

Trade normal.

Although the trade of Shanghai for 1892 has not resulted in any great profits to the foreign merchant, it has, on the whole, been fairly satisfactory. It is generally admitted that business, both in imports and exports, has been conducted on a sound

basis, and that the deliveries of foreign manufactures have fully kept pace with the quantities imported. Demand steady.

Stocks at the end of the year were consequently by no means excessive, and there would seem to be a fair promise of a continuation of sound trade for 1893.

During the first eight months of the year the trade presented no special feature, but during the last four months, when it was seen that the cotton crop in America would be short, there was a sharp rise in the value of all classes of Manchester goods, and holders of stocks realized handsome profits. A rise at the same time in the silk market benefited exporters, and especially the native silk men. Indeed, the native merchants, both in imports and exports, are said to have done remarkably well, taking the year all round. Foreign imports: Cotton goods. Considerable rise in prices during latter part of year. Smart rise in silk market produced great activity.

The total value of imports and exports at Shanghai during the year 1892 was 166,827,000 Haikwan taels, being a trifle over the corresponding figures of 1891, which were 165,542,800. As will be seen later on, however, there was a falling off in the quantities of several of the more important foreign staples of trade, but the value was made up by the increased prices realized on sales during the latter half of the year. The general volume of trade, including native as well as foreign commodities, continues to expand, as will be seen from the following comparative table of shipping, entering, and clearing. Total value of Shanghai imports and exports. General volume increasing.

TABLE showing the Total Shipping (exclusive of Junk Trade), Entered and Cleared at Shanghai during the undermentioned Years. Comparative statement of tonnage entering port.

Years.	Number of Vessels.	Tons.
1871..	3,510	1,901,775
1881..	4,844	3,690,241
1891..	6,372	6,252,005
1892..	6,396	6,540,275

The percentage of this tonnage under the English flag is as follows :—

Year.	Per Cent.
1871	43
1881	55
1891	56
1892	57

The continued fall in the exchange of silver into gold has again been a source of great embarrassment to all, and of loss Continued fluctuation in exchange.

to many. At the beginning of the year the value of the Shanghai tael by telegraphic transfer on London stood at 4*s.* 2$\frac{3}{4}$*d.*; on June 30 it had fallen to 4*s.*, and on December 30 it was 3*s.* 9*d.*, being a fall on the course of the year of rather over 9 per cent. This persistent depreciation of the gold price of silver has been most severely felt by all institutions and persons who have any part of their capital invested in the East. The severe strain has forced one of the Eastern banks, the New Oriental Banking Corporation, into liquidation, while another, the Chartered Mercantile Bank, found its capital so severely diminished as to be obliged to write it down by one half and to reconstruct on a new basis. Other banks, though less severely pinched, have been constrained to keep a large portion of their capital in a liquid condition to meet possible sterling demands, and consequently have been unable to give the usual facilities to many of their old customers. Credit has thus been greatly restricted and the development of business other than on old established lines has been checked.

Further drop in silver.

Losses caused thereby.

Bank failures.

Credit curtailed.

Apprehension as to future.

Alteration of Mode of Import Business.— Indent System.

The long-continued fluctuations in the exchange values have been compelling merchants to alter their mode of doing business, especially in the import trade. Instead of holding goods on stock or to arrive to meet the requirements of the market, merchants prefer to sell to the native dealers before ordering the goods in England. They settle the price in silver and the exchange at the same time, and then transmit their orders by telegraph to Manchester. The buying and selling and the fixing the rate of exchange are thus practically simultaneous operations; the bank takes the risk of exchange and the foreign importer has no farther interest in the transaction than simply the earning his commission, which he deducts when he hands over the goods and gets paid by the Chinaman. The latter is the real merchant, for he takes all the risk and gets all the advantage of a favourable turn of the market, while the foreigner is relegated to the inglorious rôle of a mere commission agent. The banks have the risk of exchange, but they again protect themselves by buying and selling bills to the same extent, so that, however exchange may vary, a loss on the operations one way is balanced by a corresponding gain on the other.

Alteration in mode of doing business. Indent system.

Merchants cannot afford to take risk of exchange.

Chinaman becoming the real merchant. Foreigner only commission agent.

In this way the risks attendant on exchange are obviated so far as current transactions are concerned, but it remains to be seen what will be the ultimate effect of the exchange on the course of trade in general. Primarily it would seem to tend to throw the control of the trade into the hands of Chinese, and to introduce a class of less moneyed and less responsible middlemen, thereby reducing the average profits and average status of foreigners engaged in the import trade. This latter may

Change to be regretted.

Lowers status of foreign merchant.

seem a small matter to the British manufacturer, and may even be held to have its advantages. So long as our productions are bought, it may be said, it is immaterial whether they are bought by a middleman for re-sale, or are ordered direct by the Chinese dealers.

But although it is probable that the same amount of business will be put through under the new system as the old, for some time at least, it seems to me the change is to be regretted, and not merely on sentimental grounds. Nothing that impairs or belittles the position of foreign merchants in China can be viewed with complacency by the British manufacturer. The position which British trade now holds in the East has been won by the energy and perseverance of our merchants on the spot, and their status and independence is a question of national importance, and not one merely affecting their personal interests.

Will not be in a position to push trade.

Hundreds of obstacles may be thrown in the way of trade by obstinate or interested officials, as witness the transit pass question now being fought out in the Canton province, and these can only be successfully encountered on the spot. But if it is known that importers have no interest whatever in goods after they are landed and paid for, their complaints of exactions and squeezes, however injurious to British trade in general, will have but small chance of being listened to.

Progress of foreign trade bound up with prosperity of local British merchants.

The change is another illustration of the many evils created by the unsteadiness of the exchanges. So long as the relation between gold and silver remains in the same precarious condition as at present, so long will the indent form of business be the only safe method. Last year there was a fall in the gold value of silver of some 9 per cent., and in 1891 there was a similar fall of about 12 per cent. Next year there may be an equally great or a greater fall, or there may be an equally great rise. In either case one set of operators must lose and another set must gain. It is not the mere low price of silver that is complained of, but the unsteadiness. The rate is immaterial if only it were reasonably certain, but until some international agreement is come to there seems no prospect of relief.

This change forced by continued fluctuations in exchange.

Continuous fall of silver.

International agreement the only remedy.

The total value of all imports of foreign origin during 1892 has been 78,777,000 Haikwan taels, being a slight advance of 1,500,000 taels over the imports of 1891.

Total value of foreign imports

Whence coming.

The various countries of origin contributing to this total were as follows:—

Imported from—	Value.	
	1891.	1892.
	Haikwan taels.	Haikwan taels.
Great Britain and Hong-Kong	45,343,000	45,715,000
India	12,432,000	13,847,000
Straits Settlements	988,000	1,144,000
United States of America	7,529,000	5,834,000
British America	935,000	694,000
Continent of Europe	4,606,000	5,084,000
Japan	5,096,000	5,834,000
Other countries	407,000	625,000
Total	77,336,000	78,777,030

The principal features in this table are a considerable increase in the import from India, which is exclusively due to cotton yarn, a large falling off in the import from the United States and North America, and a fair advance in the trade with Japan. This latter trade includes a great variety of articles, the principal being coal, seaweed, timber, and matches. Cotton piece-goods, made probably in the Osaka mills from China cotton, also figures to a small extent among the imports. The value at present is small, but the appearance of the item at all is significant of the times.

Manchester Goods.

Course of market for Manchester goods.

Up to about October the trade in cotton manufactures dragged. The native dealers, in anticipation of a further fall in the market, supplied their wants only from day to day, but, owing to the marked advance which then took place in Manchester, prices here rose in sympathy, and all purchases made at the low level which ruled during the first eight months of the year have shown handsome profits, both in cottons and woollens.

Rise in prices.

The following is a comparison of the highest and lowest prices obtained during the year for some of the principal articles:—

Description.	Lowest.	Highest.
	Haikwan taels.	Haikwan taels.
Grey shirtings (8¼ lbs., fair)	1·60	1·76
White ,, (72 recd., ordinary).. ..	1·80	2·18
T-cloths (8 lbs., ordinary)	1·32	1·45
Drills ,, ,, ...	2·10	2·40
Jeans ,, ,, ...	1·65	1·85

So far as quantity is concerned the trade in cottons differs little from that of 1891. Imports of all descriptions are about 5 per cent. under those of last year, but deliveries were almost exactly the same. The import of grey shirtings, as compared with previous years, stands as follows:— Demand same as 1891.

Years.	Quantity.	Average Market Value per Piece.
	Pieces.	Haikwan taels.
1881–85 (average)	5,099,000	1·10
1886–90 „	5,858,000	1·30
1891	5,644,000	1·70
1892	6,117,000	1·70

Comparative import since 1881 of grey shirtings.

With regard to white shirtings the comparative figures for the same period stand thus:—

Year.	Quantity.	Average Market Value per Piece.
	Pieces.	Haikwan taels.
1881-85 (average)..	1,563,000	1·38
1886-90 „	1,817,000	1·40
1891..	1,914,000	1·74
1892..	1,567,000	1·85

Comparative import since 1881 of white shirtings.

The demand for English made T-cloths continues to decline, the import this year being some 50,000 pieces less than last year, which was barely half what it had been 10 years previously. On the other hand, the import of Bombay made T-cloths seems to be increasing, the figures for the past three years being:— Falling-off in demand for T-cloths.

Year.	Quantity.
	Pieces.
1890	151,000
1891	206,000
1892	363,000

It is in fabrics of this class that the competition of Eastern mills and Eastern grown cotton is most to be feared. In my last year's report I remarked on the probable effect of the low exchange value of silver in stimulating the production of cotton manufactures in Bombay and China. So far the threatened invasion of the China market has not made great strides, but the marked success of the cotton mills in Japan, all of which I am informed are paying handsome dividends, and the manifest Competition of Eastern mills in this class of fabric.

advantages of cheap labour and saving in freight are bound to tell at no distant date.

Drills and sheetings.

The next item to which I have to draw attention is the class of drills and sheetings, which are strong fabrics much sought after in the north of China. The demand for this class of goods has increased more than any other during the last 10 years, and it is in this manufacture that the American competition has been most formidable. I remarked last year on the great advance made by American manufacturers in supplying the China market, more especially in 1891. This advance has not been maintained during 1892, as the figures below will show, but I am not aware that the falling off, which is proportionate in English imports of the same class, is due to other causes than an over supply in 1891.

American competition.

Also supplied locally.

A new competitor has of late arisen in the production of drills and sheetings, viz., the Shanghai Cotton Cloth Mill, the inauguration of which I described in my last year's report. The figures showing the supply from this source are as yet but small, and cannot so far seriously affect the demand for English made cloths, but as there is every probability that the output will grow, I place the figures side by side with the foreign article for purposes of comparison. There has been also, for some years, a struggling importation of drills and sheetings from Bombay, but they do not seem to make much headway.

Small output from Bombay.

Comparative table of drills and sheetings.

COMPARATIVE Table of Drills and Sheetings.

DRILLS.

Year.	Imported from—			Of Local Manufacture.
	England.	America.	Bombay.	
	Pieces.*	Pieces.*	Pieces.*	Pieces.*
1880-85 (average) ..	381,000	429,000	..	..
1886-89 „ ..	382,000	532,000	450	..
1890	266,000	592,000	80	..
1891	277,000	856,000	155	12,000
1892	154,000	638,000	420	40,000

SHEETINGS.

Year.	Imported from—			Of Local Manufacture.
	England.	America.	Bombay.	
	Pieces.*	Pieces.*	Pieces.*	Pieces.*
1881-84 (average) ..	201,000	641,000	..	..
1885-89 „ ..	520,000	1,286,000	22,400	..
1890	754,000	1,203,000	54,670	..
1891	820,000	2,009,000	29,100	14,000
1892	652,000	1,314,000	50,000	60,000

* Of 40 yards.

The demand for cotton yarn continues unabated, there being again an increase of 15 per cent. in the Indian import over the large figures of last year. The import of English yarn is dwindling away; and, on the other hand, the local mills have produced some 22,500 piculs, say 3,000,000 lbs., which finds a ready sale at some 10 per cent. over the current prices of Bombay yarn of same size. The following is a comparative table of the import of English and Bombay yarn for the past seven years, showing also the output of native yarn:—

Demand for cotton yarn continues to grow.
Import of English yarn dwindling in favour of Bombay.
Local production best quality.

COTTON YARN.

Year.	Imported from—		Local Manufacture.
	England.	Bombay.	
	Piculs.	Piculs.	Piculs.
1885	66,000	46,000	..
1886	38,000	109,000	..
1887	38,000	169,000	..
1888	62,000	164,000	..
1889	25,000	211,000	..
1890	55,000	489,000	..
1891	38,000	607,000	8,000
1892	16,552	692,000	22,500

Woollen Goods.

The import of woollen goods calls for no special remark. There is a falling off in the import all round of some 12 per cent. as compared with 1891, but on the other hand there has been an increase in deliveries of about 9 per cent. The total value of the woollen trade, however, is trifling, being only some $4\frac{1}{2}$ per cent. of the total foreign imports. It has long been recognized that China offers no prospective market for woollen manufactures. The demand was as great 20 years ago as it is now, and until the country as a whole becomes wealthier, there is no prospect of any great increase.

Woollen goods.
Increase in deliveries.
Great increase in demand not probable.

With regard to metal the demand continues to increase, though slowly. The principal items are nail rod iron and old iron. Both show a falling off as compared with last year, the importation during which, however, was exceptionally heavy.

Metals: slow growth in demand.

In kerosene oil the quantities imported show a great falling off as compared with last year. The same cause was here at work, namely, a heavy importation in 1891, leaving large stocks undelivered at the end of the year. The consumption in the interior is still increasing, the oil being far better and cheaper as an illuminant than anything that China produces.

Kerosene oil.
Great falling-off in import.

The only other item of any importance among the miscellaneous articles of import is sugar, which shows a very satisfactory increase. The import has, indeed, trebled as to

Sugar: Increased import of Hong-Kong refined sugar.

quantity, and nearly doubled as to value. This article is almost entirely brought from Hong-Kong, being the produce of the sugar refineries in that colony.

Opium.

Rise in price of opium.

Owing to the short crop in India, and the consequent reduction in the amount of Bengal opium offered at public sales, the price of the drug rose rapidly during the year. This appears to have had the effect of checking the consumption, the deliveries being some 2,000 chests less than they were in 1891. The import of Malwa opium increased slightly during 1892, but that of Patna and Benares fell off by some 1,500 piculs. The figures for the two years will be found in the annexed Table No. 2.

Increase in use of native grown opium.

Improvement in quality.

The amount of native grown opium brought to Shanghai for local consumption has increased considerably. From the province of Szechuan as much as 2,093 piculs have been imported in foreign vessels and passed through the custom-house, against 179 piculs in 1891. The quality of native grown opium is reported to have improved very much within the last few years, and it is now to be found in all the opium divans in Shanghai. The rise in price of the foreign drug has doubtless stimulated to some extent the use of the native article, but it is apparent that there is a gradual displacement going on all over the country of foreign in favour of native opium. The

Native opium gradually superseding foreign but slowly.

demand for foreign opium nowhere shows a tendency to increase. At best it but holds its ground, and in some places, as, for example, the northern ports of China, it has practically disappeared from use altogether. On the other hand, the area over which native opium is used and the extent of its cultivation would appear to be yearly widening. Once native opium has gained a foothold and commended itself to the taste of consumers, its cheapness ensures a continuance of the demand, and there is no going back to the Indian drug. No immediate falling off, however, in the consumption of Indian opium to any great extent is to be apprehended.

Exports.

Tea and silk for many years practically the only exports.

For a great number of years after the opening of China to foreign trade, the exports to foreign countries consisted almost exclusively of the two articles of tea and silk. Even up to the year 1870, for instance, the proportion in value of these two articles to the total exports was 88 per cent., and the year 1872 they counted as much as 90 per cent. In 1870 the approximate figures were :—

Articles.	Value.	Per cent.
	Haikwan taels.	
Tea	30,280,000	49
Silk	24,020,000	39
All other exports	7,382,000	12
Total	61,682,000	100

In 1875 the figures were:—

Articles.	Value.	Per cent.
	Haikwan taels.	
Tea	36,697,000	53
Silk	24,894,000	36
All other exports	7,321,000	11
Total	68,912,000	100

In 1880, while the export of tea and silk remained about constant as to value, that of miscellaneous articles increased to some 16 per cent. of the whole. In 1885 this percentage had increased to 20, and in 1890 it had risen to as much as nearly 35 per cent., the figures being:— List of exports gradually widening.

Articles.	Value.	Per cent.
	Haikwan taels.	
Tea	26,662,000	30·3
Silk and silk products	30,255,000	34·9
All other exports	30,327,000	34·8
Total	87,144,000	100

In 1892 the proportions were as follows:—

Great falling-off in tea and great increase in value of miscellaneous exports.

Articles.	Value.	Per cent.
	Haikwan taels.	
Tea	25,983,000	25
Silk and silk products	38,292,000	37·5
All other exports	38,308,000	37·5
Total	102,583,000	100

From this short statement it will be seen that the export of tea from all China has fallen off during the past 20 years, not merely relatively to other articles, but positively to the extent of about 10,000,000 taels. Silk has retained its position rela- Great decline in tea trade. Silk has held its own.

tively to other exports, being still about 37 per cent. of the whole, and shows a fairly satisfactory increase of about 14,000,000 taels. Miscellaneous exports, on the other hand, have increased from 7,000,000 taels in 1870 to 38,000,000 in 1892, forming now about 37 per cent. of the whole.

Miscellaneous exports have increased.

As China does not produce the precious metal in any appreciable quantity, it is evident that her purchasing power of foreign manufactures must depend upon the amount of her exports. All imports must be paid for by sending out of the country a corresponding value of native produce, or the balance must be adjusted by the export of bullion, and as the stock of bullion cannot be replenished so far as we know in the country itself, this latter process could not be carried to any great extent without producing a strain on the monetary circulation and consequent financial embarrassment. If, on the other hand, the value of the exports exceeds that of the imports over a series of years, either the balance will be taken in bullion, and so China would be an absorber of silver like India, or she would be in a position to take off a greater quantity of foreign manufactures, or the result would be partly the one and partly the other.

Purchasing power of China depends on amount of her exports.

China does not produce the precious metals to any extent.

Whichever happened the Western world would be the gainer, and so it is a matter of congratulation all round that the value of the exports in the past few years has expanded so well as it has done. I shall offer a few remarks later on, on the interesting subject of whether the exports of China have been stimulated by the low price of silver, and if so, to what extent, and also on the question of the purchasing power of silver in China, as shown by a rise or fall in prices, and the general position held by China vis-a-vis of the West as an importer or exporter of silver. Meantime, I append a table which will show in what particular lines the export trade of China has been expanding. By an examination of this, one may be able to form some opinion of the probable rate of increase in the future.

Increased exports greatly to be desired.

Question of the effect of the low price of silver.

Comparative Table of Principal Exports showing Increase since the Year 1870.

Articles.	Value.					
	1869–72.*	1875.	1880.	1885.	1890.	1892.
	Haikwan taels.	Haikwan taels.	Haikwan taels.	Haikwan taels.	Haikwan taels.	Haikwan taels.
Beans	246,000	122,000	160,000	143,000	371,000	1,187,000
Chinaware	302,000	390,000	379,000	273,000	617,000	1,084,000
Clothing, Chinese	128,000	567,000	327,000	384,000	1,428,000	1,592,000
Cotton, raw	394,000	322,000	180,000	717,000	2,989,000	5,089,000
Firecrackers	199,000	192,000	260,000	288,000	1,124,000	1,181,000
Hides	17,000	43,000	253,000	941,000	715,000	495,000
Matting and mats	438,000	294,000	533,000	286,000	1,121,000	1,292,000
Paper	260,000	429,000	512,000	595,000	1,359,000	1,592,000
Provisions	81,000	84,000	78,000	101,000	735,000	742,000
Silk, raw	23,762,000	20,348,000	23,227,000	13,630,000	21,364,000	27,736,000
,, refuse	293,000	347,000	947,000	1,625,000	3,120,000	2,603,000
,, piece-goods	2,138,000	4,022,000	3,422,000	4,556,000	5,119,000	6,900,000
Skins, furs, rugs	5,200	6,276	152,000	307,000	457,000	1,315,000
Straw braid	84,000	422,000	1,227,000	1,874,000	2,003,000	2,056,000
Sugar, brown	618,000	905,000	2,452,000	1,067,000	1,982,000	1,609,000
Tea, black and green	37,304,000	34,704,000	33,494,000	30,695,000	24,279,000	23,476,000
,, brick	785,000	1,976,000	2,132,000	1,512,000	2,136,000	2,503,000
Tobacco	137,000	144,000	168,000	245,000	990,000	1,074,000
Wool	14,600	34,000	30,000	328,000	853,000	1,545,000

* Average.

From this table it will be seen that outside of silk and silk manufactures, the principal articles in which advance has been made are raw cotton, straw braid, wool, sugar, and skin rugs. The great bulk of the articles in the list are such as offer no immediate prospect of great increase, as either being intended for use among the limited population of Chinamen resident in the Straits, the Malay Archipelago, or elsewhere, such as clothing, firecrackers, paper, and provisions, or as being in their nature of limited demand anywhere. Raw cotton is exported to Japan, and the demand for that may grow to be very considerable if the Japan mills continue to be extended. There is no prospect of its finding a market in Europe at present. It will be noticed that one class of articles which figures largely in the Indian list of exports is entirely absent from this list, namely, wheat, rice, and other cereals. This is because the Chinese Government, out of regard for the welfare of the people, totally prohibits the export of grain to foreign countries. A considerable interchange of rice takes place between the different provinces of the Empire, affording employment to foreign shipping engaged in the coasting trade; but none is allowed to leave the country however plentiful or cheap it may be. In Japan the export of rice to foreign countries forms a large item of trade, to the mutual advantage, it may be presumed, of both sides, and so it might be in China, but the Government at the present moment thinks otherwise. If the prohibition were relaxed in favour of wheat, which is not a staple article of food for the mass of the people, there might soon be a large export of this commodity from the northern ports, where the adjoining plains of Manchuria are well adapted for its cultivation. The export of peas and beans from these ports—the only article in the cereal class in which trade is permitted—has, it will be observed, grown to considerable dimensions. On the whole, no great or rapid development of any of the articles that go to make up the export trade of China, outside of tea and silk, is to be looked for, though there is every reason to expect that the steady advance of the last 10 years will be maintained. The chief factor in bringing about this considerable expansion of the trade is doubtless the fall in the value of silver, which reduces the laying down cost in sterling in England. Cheap ocean freights have also assisted to a considerable extent, and these two causes have made it possible to send to Europe and America a great number of bulky articles which previously would not have paid their cost. The fall in the gold value of silver does not appear to have had, so far, any effect in raising the prices of commodities in China, but it has had the effect of bringing a great number of articles, which can be procured here at the old current rates, within the paying limit in Europe, and so has made it profitable to export them. If it had not been for the fact now generally recognized, that the gold prices of commodities in Europe have fallen almost *pari passu* with the fall in silver, the latter would certainly have

Grain not in list of exports.

Shipments to foreign countries prohibited.

Suggested that export of wheat might be permitted.

Fall in silver has stimulated exports.

Cheap freight also assisting.

Fall in silver has so far had less effect than might be expected.

stimulated the export of Eastern products to a far greater extent than it has done. A fall in exchange of, say, 10 per cent., other things being constant, must mean an extra profit to the Chinese exporter of 10 per cent. This, of course, would promote a flow of exports, competition would raise the local silver price, and silver would flow in to adjust the balance. This, however, has not happened as yet, or, at least, not to any great extent. The process has gone so far as to make it fairly profitable to ship such articles, but that is all. Any further fall in silver, however, would doutless have a great effect in this direction.

Silk.

The silk trade in North China has proved a very profitable one to all engaged in it on this side—natives and foreigners—during the season, beginning June 1, 1892. A gentleman who has had long experience in the trade, writes to me as follows:—

"Beginning the season with anticipations of a very full supply, and at very low prices, we have had, with one or two intervals of slight reaction, a healthy, continuous demand at steadily advancing prices. At this side, practically the close of the season as far as stock and supplies are concerned, we are 30—40 per cent. higher, as far as prices of standard grades of white silks are concerned, than the lowest point in June last. Sterling exchanges have fallen during the interval about 6 per cent., cheapening the laying down cost in Europe in gold to that extent.

Continuous demand during year, and steady rise in price.

"Undoubtedly, the remunerative prices we have been able to offer the dealers have drawn down almost every available bale of marketable white silk, and it is more than a matter of probability that the prices at which we close the season 1892–93 will stimulate production to a considerable extent in the coming season of 1893–94. One feature in the North China silk trade is the increasing supply sent from this port to the Asiatic markets of Bombay, Beyrout, Alexandria, and Port Said. The quantity thus directed has doubled in five years.

"There is a noticeable increase in the demand both from Europe and America for the reelings of the Shanghai filatures, and already there are rumours of new undertakings for this work. So far, we are behind the Japanese in this industry, but now that Shanghai filatures have made their mark we may look for a considerable development in this direction."

Reelings of local filatures in great demand.

Referring to the foregoing remarks as to the effect of the fall in the value of silver, the same informant states that the cost in China of a standard grade of silk, say a bale of Tsatlee, which now stands at 430 taels to 440 taels with exchange at 3*s.* 10*d.*, was very nearly the same 20 years ago, when exchange was over 6*s.* But whereas, in 1870, 20*s.* gold in London would barely buy 1 lb. of such silk, it will to-day buy nearly 1½ lbs. That is to say, the purchasing power of silver has remained constant, whereas that of gold, *quoad* this particular article, has increased nearly 50 per cent. Had it been otherwise, had the gold price in London remained constant while exchange fell, the foreign purchaser of silk in Shanghai would have been

Silver price raw silk unchanged in 20 years. Gold price fallen 50 per cent.

able to offer greater and greater silver prices to the producer, who, in turn, would have responded to the stimulus by a greater and greater production.

Tea.

Tea, continued decline in export of.

So much has been said and written about the decline of the China tea trade that there is little left to say, except to record a farther falling off of the export and a still farther decline in values. The market opened at Hankow on May 7, and the first crop teas proved to be of poor quality. Prices ranged from 30 to 40 per cent. below those of 1891, and even at that buyers for England have lost money on the whole, common descriptions alone paying on the average, and that only during the latter part of the season. The business done by Russian buyers showed an enormous falling off, the export to that country viâ Odessa being only 15,500,000 lbs. as compared with 25,000,000 lbs. in 1891. The native dealers, too, are reported to have lost severely. The export to England from Shanghai and the Yangtze ports was only 24,000,000 lbs. against 27,000,000 lbs. last season and 65,500,000 lbs. in 1886.

Trade has resulted in losses both to Chinese and foreign merchants.

Export of brick tea to Russian Siberia constant. Tablet.

The export of brick tea to Russia overland, which now forms a considerable item, remained at about the same figure as for 1891. A new form of brick tea termed tablet tea has been introduced of late years, which seems worthy of attention. It is made of the finer kinds of tea dust compressed into small cakes like the well-known chocolate Menier cakes. Its extreme portability and freedom from deterioration would seem to recommend it for the use of travellers or for troops on the march. Over 1,000,000 lbs. of this article were exported last year.

Green tea has been more profitable.

The market for green tea has been more satisfactory than that for black. Somewhat higher prices were paid than in 1891, though the quality was inferior, and dealers, on the whole, realized fair profits on shipments, both to England and to America. The trade remains about stationary as to quantity exported to and consumed in those countries. This class of tea does not suffer in the same way as black tea from the competition of untaxed tea from other quarters, except in the case of young Hysons, which, in America, compete with Japan teas, the export duty on which is only 1 dol. per picul. The trade to Bombay, mainly for Afghanistan and Persia, is an increasing one, the export this season being 4,750,000 lbs. against 4,000,000 lbs. last season.

Unaffected by Indian competition.

Local Industries.

Cotton mills.

In my last year's report I described the inauguration of two cotton mills, one for the manufacture of cloth and the other for the production of yarn from native grown cotton. Both have been working to their full capacity during the year, though the output of the former was greatly hindered by unwise inter-

fering and experimenting on the part of the native superintendents. The cloth mill has during the year enlarged its machinery, and is now working 25,000 spindles and 550 looms. It has produced during the year upwards of 4,000,000 yards of drills and sheetings, and over 1,000,000 lbs. of yarn. The former, at present market rates, fetches 2·80 taels per piece of 40 yards, and the latter 60 taels per bale of 400 lbs. It employs 1,800 hands at an average weekly wage of from 4*s.* to 6*s.* Raw seed cotton, delivered at the mills, costs 4·60 taels per picul, or ginned, 10 taels to 11 taels per picul.

Production during year

The yarn mill runs 12,000 spindles and has produced over 2,000,000 lbs. of yarn, which is eagerly bought up by Chinese at prices some 10 per cent. or 12 per cent. above that of best Bombay yarn.

Both these mills, though nominally owned by private companies, are, in reality, semi-official concerns. The cloth mill in particular is generally understood to be controlled and directed by one of the highest officials in the Empire, hence the jealousy with which the quasi-monopoly originally granted to it is guarded. Efforts, I understand, are being made to establish further mills, and it is improbable that the present occupants, though the first in the field, can continue to hold exclusive possession of the ground for long. As the lucrative nature of the business becomes known, terms will be made in some form or other, and I look forward, before long, to see numerous cotton mills, either at Shanghai, or else at some of the neighbouring ports. This present year (1893) has witnessed the opening of a large cotton mill at Hankow, promoted or owned by the Governor-General of that Province. If facilities are refused at Shanghai by the authorities they will be granted elsewhere, and although Shanghai is the most favourably situated for the successful working, both in respect to the supply of cotton, the supply of coal, and the facility of distribution, yet the profits likely to arise are so considerable that many other places would, doubtless, show very satisfactory results. The present low price of silver and consequently enhanced cost of importing machinery from England has operated also to temporarily delay the projects for building new mills. Shanghai imported last year over 11,000,000 taels' worth of Bombay yarn, paying duty, freight, and charges thereon, and exported to Japan over 5,000,000 taels' worth of raw cotton, which, after paying duty, freight, and charges, is spun by the mills there and sold in competition with Bombay yarn and cloth at a rate that enables the mills to pay a dividend of from 10 per cent. to 20 per cent. to shareholders.

Monopoly claimed by existing mills.

Unlikely to be maintained.

New cotton mill started in Hankow.

Uncertainty of silver deters investors.

Coal, labour, and all other conditions are much the same in Shanghai as in Japan, and it would seem to be but a simple question in arithmetic to work out the probable profit of cotton spinning in Shanghai. The one element of uncertainty is silver. If silver should rise, a mill laid down at present rates would be heavily handicapped as to prime cost against those

Reasons for thinking that mills in Shanghai would pay well.

that came later. Of course, if it should fall further, those first in the field would have the advantage, but the uncertainty operates to deter investors.

Silk filatures.

The only other local industry in which foreign trade is interested is that of the silk filatures. It has often been pointed out that it is matter of great regret that the Chinese Government does not do something to encourage this, the most valuable and most profitable of all the productions of China. Here no international jealousies can come in. We only wish to see the quantity of China silk increasing and improving year by year. Europe and America want to buy it, and are willing to pay for it. We would gladly see her Government taking some pains, as the Japanese Government has been doing, to teach the people how best to prepare their silk for the foreign market, and how best to utilize the great natural wealth which nature has given them in the shape of the soil and the climate of provinces round Shanghai. It is not too much to say that the export of China silk might, with proper care, be doubled in value in a few years to the benefit alike of the revenue, the people, and foreign trade.

Great opportunity for improvement in native method of preparing silk.

Value of silk export might be doubled.

In Japan, the value of the silk export has, through the encouragement of Government officials, increased from an average of 7,000,000 dol. or 8,000,000 dol. in 1872, to 37,000,000 dol. in 1892.

Silk reeled by foreign filatures improves in value.

In a small way, the foreign filatures are showing the Chinese how much may be done by the careful reeling of the cocoons. Three filatures are now at work, two under foreign management and one in native hands. The value of the silk thus treated is, on an average, enhanced by some 20 per cent. to 50 per cent. as compared with silk reeled with the same cocoons by native methods. The cost of management and expenses incidental to the establishment of a new industry have hitherto prevented these local filatures from yielding much profit to the promoters. Difficulties have also been experienced in procuring from the interior sufficient supply of cocoons, but these are gradually disappearing, and the local silk reeling industry bids fair to grow. There has also been during the year a demand for cocoons for export to Italy, a demand which, I am informed, is likely to increase.

Woosung Bar.

Still a serious obstacle.

The Woosung Bar has for many years formed a standing item in Shanghai trade reports, and I regret to say that this year it has been in as bad a condition as ever. During the early part of the year vessels of 16 feet and 18 feet draught were constantly being delayed, and all large ocean steamers had to lighten or discharge altogether outside the bar, that is, 12 miles from their destination. On November 6 a small coasting steamer, the "Feima," was run into, and sank in mid-stream just below the bar. A very curious thing then happened, as if to show how very amenable the river is to control. The

But evidently amenable to treatment.

diversion of the current produced by this obstacle scoured out a new channel through the bar, communicating between the deep water inside and the deep water outside, and for some months this was used as the ordinary passage for vessels of deep draught. After remaining so for some months it is now stated to be filling up again, while the old channel is reopening. This is probably explained by the fact that the sunken vessel is gradually settling down in the mud and so ceasing to have the same effect upon the current. Opinions differ both as to cause and effect, but, at all events, the incident shows that the bottom of the channel is sufficiently soft and mobile to be affected by the scour of the current, and that any action that may be taken should be in the direction of guiding and controlling the current so as to cause it to keep the channel clear by the natural scour of the water, rather than that of simple dredging, which has been proved to have no permanent effect.

At the moment there are good prospects of the Chinese Government assenting to a suggestion which has been made to them to employ the services of an eminent English engineer for the purpose of making a thorough survey of the locality, and giving advice as to the best means of coping with the difficulty. It is hoped that we are, at last, within sight of the end of this long-standing impediment to trade.

Appended to this report is a memorandum by Mr. Vice-Consul Playfair on the working of the Mixed Court during 1892, and the usual Annexes 1 to 5.

Report on the Mixed Court at Shanghai for the Year 1892.

In drawing up this report I am under the disadvantage of being personally acquainted with the working of the court during the December quarter only. I am able, however, to compare its present conditions with those existing seven years ago, during my tenure of the assessorship in 1886, and I find a gratifying decrease in the civil cases set down for hearing, and a similar falling off on the criminal side, as far, at least, as these concern the British assessor. Speaking generally, there is a greater tendency among native defendants in civil suits to settle with the foreign plaintiffs without the formality of a hearing. In cases which eventually do come on for trial, it is becoming more and more customary for the Chinese defendant to call in the assistance of European counsel, and some of the resident lawyers have an extensive practice among the natives. In most civil causes it is not infrequently an advantage to the Court to have the case presented to it by those skilled in such matters, even though the law by which the suit is to be decided is not that with which the counsel is most familiar. On the other hand, the European advocate is apt to arrange his defence on lines suggested by the procedure of his own national Courts, which is as often as not divergent from the system, such as it

is, by which the Mixed Court is governed. A treatise on Mixed Court Law, indeed, has yet to be written, and the subject is one which deserves to be taken up by some legal writer of sufficient experience. As has been pointed out before, in reports of this nature, the law as administered at the Mixed Court, both in civil and criminal matters, though in no sense that of Western nations, is by no means purely Chinese. It might perhaps be described as Chinese statute law modified to suit European prejudices. As an instance of this modification I may point out that, whereas by Chinese law a criminal cannot be convicted unless he either admits his guilt or, in the face of continued obstinacy, is confronted by absolutely overwhelming evidence, prisoners are frequently condemned at the Mixed Court on evidence which, though satisfactory from a European point of view, cannot be considered overwhelming. This modification of the national theory has become quite necessary, since no assessor will consent to see the magistrate employ the legalized devices to enforce confession which are usually resorted to in purely native Courts.

Owing to this willingness on the part of the magistrate to be influenced by Western modes of thought, foreign lawyers have their uses in civil suits, though in my experience their admission to practice has little tendency to expedite proceedings. In criminal cases their presence is of no advantage to the Court, nor will be till there arises a race of lawyers who have made the laws of China their special study.

At the risk of repeating what has frequently been said before by my predecessors in the assessorship, I should be guilty of a grave omission did I not attribute, in a large measure, the satisfactory working of the Court to the exceptional qualities of the magistrate who now occupies the bench, and who has sat there since 1886. I was assessor at the time of his first appointment, and can testify to the singular honesty, ability, tact, courtesy, and friendliness going beyond mere courtesy, with which he has always discharged his sometimes difficult duties. Succeeding as he did, seven years ago, to predecessors under whom the working of the Court had been by no means smooth, the contrast presented by his now long incumbency is very striking, and it is to be hoped that he will retain his present functions for many years to come.

Of the 98 civil cases recorded during the year, the results are here tabulated :—

Description.	Number of Cases.
Heard—	
For plaintiff	30
For defendant	3
Cases dismissed	3
Not heard—	
Order issued without hearing	7
Settled out of Court	32
Claims withdrawn	10
Cases struck out	3
Adjourned sine die	2
Defendant absconded	4
Pending	4
Total	98

I append a further table giving details of each case. Only one seems of sufficient importance to merit special mention. In this Mr. E. J. Hogg sued a native actor in his employ for sums advanced and money due on other grounds. In consequence of irregularities in the books kept by the plaintiff's comprador, the magistrate refused to recognize any part of the plaintiff's claim, and dismissed the case. Mr. Vice-Consul Brown, then sitting as assessor, dissented from the decision. Attempts to settle the matter amicably having failed, the case has been appealed to the Consul and Taotai, by whom it will probably be sent back to the lower Court for a re-hearing.

In criminal matters a total of 63,955 persons came under the notice of the police; but if the large numbers included under the heading of petty nuisances, vagrancy, and jinricksha, coolies plying for hire with dirty vehicles, be omitted, there remain only 3,960, of whom about half were brought before the British assessor. A return of the punishments inflicted on Chinese prisoners is appended to this report.

A somewhat remarkable case, which caused some excitement among foreign residents at the time, was that of Oscar Sjöberg, a Swede by birth, but unrecognized by his Consul. He was brought before the magistrate and Mr. Brown, and on February 5 sentenced to be cangued for incorrigible vagrancy. Owing to the representations of the police, that the carrying out of the sentence would result in serious disturbance among the Chinese, it was remitted, the Swedish Consul-General undertaking to have the man deported.

It has always been a serious difficulty at the Mixed Court how to deal with foreigners coming under its jurisdiction, in consequence of the refusal of their Consuls to recognize them. It is practically impossible to impose any sentence except fine, deportation, or imprisonment, as the other punishments the court is empowered to inflict are repugnant to the European mind. In most cases a fine is out of the question, and mere imprisonment is often inadequate, while deportation to some

other port in the East is not viewed favourably by the authorities and residents of the port selected. The only remedy for so unsatisfactory a state of affairs appears to be an international agreement that in no case shall a Treaty Power Consul refuse to deal with one of his own nationals charged with an offence recognized by the laws of his own country. The Mixed Courts regulations, Clause 7, provide that, "Unrepresented foreign offenders will be tried and sentenced by the sub-prefect, the finding being submitted for the Taotai's approval, who will consult with some Treaty Power Consul on the subject." But it can hardly have been intended when these rules were drawn up to refer by the words "unrepresented foreign offender" to persons whose nationality is undoubted, though their Consul refuses to recognize it. In any case it is invidious and highly objectionable that an officer of Her Majesty's Consular Service should be required to adjudicate in the case of persons of another nationality, when a Consul of that nationality resides on the spot. If the latter is willing to leave the administration of punishment in the hands of the local authorities, the least to be expected of him is that he shall be present at the trial to give his sanction in person, and shall not delegate so unpleasant a responsibility to the official of another country.

RETURN OF PUNISHMENTS ON CHINESE PRISONERS APPREHENDED BY THE MUNICIPAL POLICE FROM JANUARY 1 TO DECEMBER 31, 1892.

Offences.	Blows.			Cangue.			Imprisonment.				Blows.		Cangue.		Imprisonment.		Fined or to give Security.	Referred to City or other Authorities.	Deported.	Remanded.	Cautioned.	Discharged.	Sent to Refuge.	Total.
	Under 50.	50 and under 100.	Upwards of 100.	Not exceeding 7 Days.	7 Days, not over 1 Month.	Upwards of 1 Month.	Not exceeding 7 Days.	Over 7 Days, not exceeding 1 Month.	Over 1 Month, not exceeding 6 Months.	Upwards of 6 Months.	Not exceeding 100.	Upwards of 100.	Not exceeding 1 Month.	Upwards of 1 Month.	Not exceeding 6 Months.	Upwards of 6 Months.								
Arson	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3	1	..	..	..	1	..	5
Assault	2	12	8	4	6	..	112	73	10	..	1	3	4	1	5	..	116	25	5	2	55	39	2	475[1]
Burglary and or housebreaking	2	11	14	..	2	..	2	12	4	3	6	5	..	..	8	3	6	6	28	..	2	1	..	83[2]
Coining	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	1
Cruelty to animals	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	32	..	..	..	..	..	..	36
Cutting and wounding	..	1	1	..	..	..	3	1	..	..	..	..	..	..	..	..	4	12	1	..	..	4	1	32
Drunkenness	..	..	..	..	..	..	1	5	..	..	1	1	..	..	2	..	18	..	1	..	..	2	..	41
Embezzlement	..	..	..	..	..	..	15	5	..	..	..	..	..	..	..	..	..	..	..	..	..	1	.	1
Fighting and or creating disturbances	1	..	1	5	2	..	176	17	2	..	1	2	1	..	2	..	124	21	12	..	66	27	.	455[3]
Forgery	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Fraud	..	2	2	..	..	..	2	3	2	..	1	..	..	..	2	..	5	4	5	..	2	3	..	27[4]
Furious riding and or driving	..	..	..	..	1	..	6	..	..	..	..	..	..	..	..	..	113	1	..	..	4	2	..	157
Gambling	..	4	..	16	4	..	29	5	1	..	7	2	1	..	8	..	102	4	8	..	13	..	..	191[5]
Kidnapping	..	..	1	..	..	..	..	..	..	..	..	2	2	..	..	..	1	26	1	2	1	..	..	33[6]
Larceny from person	4	16	5	..	2	..	7	8	2	..	1	..	1	..	..	..	5	..	8	..	1	1	..	52[7]
„ „ dwelling, &c.	53	121	80	10	7	..	288	300	50	5	54	44	14	..	76	12	75	38	275	3	32	56	4	1,293[8]
„ by servants	..	6	3	..	..	..	1	15	2	..	3	1	1	..	5	..	10	..	8	..	3	6	..	52[9]
Loitering	1	1	..	..	..	..	..	1	1	..	..	..	..	..	..	..	..	..	5	..	..	..	..	7[10]
Manslaughter	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Misdemeanor	5	8	11	2	9	..	69	14	1	1	4	1	1	..	4	..	223	13	27	2	32	9	..	424[11]
Murder	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..	..	..	..	5
Nuisance (including firing crackers and burning joss paper)	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,863	..	..	..	..	..	..	1,863
Obstruction	..	..	..	1	..	..	39	3	..	..	..	..	..	..	..	..	75	4	..	..	3	..	..	125
Obtaining goods and or money under false pretences	..	4	..	..	1	..	7	9	1	1	..	1	..	..	1	..	4	4	4	..	1	2	..	36[12]
Piracy	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	1
Property, receiving stolen	1	1	1	..	1	..	6	8	1	..	..	..	..	..	..	..	42	4	4	..	15	7	..	90[13]
Possession, unlawful	2	8	8	4	2	..	13	10	1	..	2	4	..	..	4	2	22	10	31	1	3	..	1	104[14]
Returning from deportation	..	34	16	..	..	..	..	1	..	1	1	..	..	..	1	..	..	..	56	1	1	..	..	61[15]
Riotous and or destroying property	..	2	..	1	..	..	6	2	..	..	..	..	..	..	..	..	16	1	2	..	1	..	1	30[16]
Robbery	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	3
Squeezing	3	12	24	2	1	..	3	15	..	..	4	14	9	..	9	..	14	9	19	4	5	2	..	117[17]
Suicide, attempted	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	3	..	1	2	4	11
Uttering	..	..	2	..	1	..	..	1	..	..	..	..	1	..	1	..	2	2	1	..	1	1	..	12
Total	74	243	177	45	39	..	785	509	78	11	86	80	36	1	128	17	2,905	193	504	15	244	166	13	5,813

N.B.—Number deported in addition to other punishment:—[1], 3; [2] 21; [3], 2; [4], 5; [5], 4; [6], 1; [7], 8; [8], 204; [9], 7; [10], 2; [11], 7; [12], 3; [13], 1; [14], 18; [15], 50; [16], 2; [17], 14; making a total of 352.

(1588—to face p. 22.)

THE MUNICIPAL POLICE FROM JANUARY 1 TO DECEMBER 31, 1892.

Blows.		Cangue.		Imprisonment.		Fined or to give Security.	Referred to City or other Authorities.	Deported.	Remanded.	Cautioned.	Discharged.	Sent to Refuge.	Total.
Not exceeding 100.	Upwards of 100.	Not exceeding 1 Month.	Upwards of 1 Month.	Not exceeding 6 Months.	Upwards of 6 Months.								
..	..	..	..	..	..	3	1	..	..	..	1	..	5
1	3	4	1	5	..	116	25	5	2	55	39	2	475[1]
6	5	..	..	8	3	6	6	28	..	2	1	..	83[2]
.	..	..	..	..	..	..	1	..	..	..	..	..	1
.	..	..	..	..	..	32	..	..	..	..	..	..	36
1	1	..	..	2	..	4	12	1	..	..	4	1	32
.	..	..	..	..	..	18	..	1	..	..	2	..	41
.	..	..	..	..	..	..	..	..	..	..	1	..	1
1	2	1	..	2	..	124	21	12	..	66	27	..	455[3]
.	..	..	..	..	..	..	..	..	..	..	..	..	..
1	..	1	..	2	..	5	4	5	..	2	3	..	27[4]
.	..	..	..	..	..	113	1	..	..	4	2	..	157
7	2	1	..	8	..	102	4	8	..	13	..	..	191[5]
.	2	2	..	..	..	1	26	1	2	1	..	..	33[6]
1	..	1	..	..	..	5	..	8	..	1	1	..	52[7]
4	44	14	..	76	12	75	38	275	3	32	56	4	1,293[8]
3	1	1	..	5	..	10	..	8	..	3	6	..	52[9]
.	..	..	..	..	..	..	..	5	..	..	..	..	7[10]
.	..	..	..	..	..	..	..	..	..	..	.	..	..
4	1	1	..	4	..	223	13	27	2	32	9	..	424[11]
.	..	..	..	..	..	..	5	..	..	..	..	..	5
.	..	..	..	..	..	1,863	..	..	..	..	..	..	1,863
.	..	..	..	..	..	75	4	..	..	3	..	..	125
.	1	..	..	1	..	4	4	4	..	1	2	..	36[12]
.	..	..	..	..	..	..	1	..	..	..	..	..	1
.	..	..	..	..	..	42	4	4	..	15	7	..	90[13]
2	4	..	..	4	2	22	10	31	1	3	..	1	104[14]
1	..	..	..	1	..	..	..	56	1	1	..	..	61[15]
.	..	..	..	..	..	16	1	2	..	1	..	1	30[16]
.	..	..	..	..	..	..	..	..	..	2	..	..	3
4	14	9	..	9	..	14	9	19	4	5	2	..	117[17]
.	..	..	..	..	..	..	1	3	..	1	2	4	11
.	..	1	..	1	..	2	2	1	..	1	1	..	12
66	80	36	1	128	17	2,905	193	504	15	244	166	13	5,813

[1] 204; [2] 7; [3] 10; [4] 2; [5] 11; [6] 7; [7] 12; [8] 3; [9] 13; [10] 1; [11] 14; [12] 18; [13] 15; [14] 50; [15] 2; [16] 17; [17] 14; making a total of 352.

Annex 1.—NUMBER and Tonnage of Vessels Entered and Cleared under each Flag for the Years 1891–92.

STEAMERS.

Flag.	Entered.				Cleared.				Total.			
	1891.		1892.		1891.		1892.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	1,525	1,702,095	1,519	1,826,801	1,510	1,697,060	1,523	1,826,583	3,035	3,399,155	3,042	3,653,384
American	...	...	1	23	...	...	1	23	...	...	1	23
German	243	209,415	263	212,651	243	209,470	262	209,151	486	418,885	525	421,802
French	52	106,933	53	109,740	52	106,881	53	109,968	104	213,814	106	219,708
Danish	7	4,172	7	4,172	7	4,172	8	4,768	14	8,344	15	8,940
Swedish and Norwegian ...	36	20,779	33	18,972	36	20,779	32	18,558	72	41,558	65	37,530
Russian	14	9,006	10	7,072	14	8,969	11	7,787	28	17,975	21	14,859
Austrian	31	30,815	47	56,970	32	31,009	47	56,970	63	61,824	94	113,940
Japanese	173	165,481	171	166,085	172	166,359	172	166,532	345	331,840	343	332,617
Chinese	728	737,752	726	760,884	723	735,521	733	757,092	1,451	1,473,273	1,459	1,517,976
Total	2,811	2,990,880	2,830	3,163,370	2,791	2,984,652	2,841	3,157,409	5,602	5,975,532	5,671	6,320,779

Number and Tonnage of Vessels Entered and Cleared under each Flag for the Years 1891–92—continued.

Sailing Vessels.

Flag.	Entered.				Cleared.				Total.			
	1891.		1892.		1891.		1892.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	62	52,095	52	36,136	67	57,891	52	35,669	129	109,986	104	71,805
American	25	21,201	22	14,773	28	22,904	21	14,235	53	44,105	43	29,008
German	1	192	3	1,702	2	578	3	1,702	3	770	6	3,404
Swedish and Norwegian ...	3	3,016	2	2,089	2	2,115	3	2,990	5	5,131	5	5,079
Russian	...	...	1	35	...	...	...	...	...	...	1	35
Japanese	27	11,859	24	10,980	25	10,980	23	10,086	52	22,839	47	21,066
Siamese	2	866	...	...	2	866	...	...	4	1,732	...	...
Chinese	269	44,280	274	46,149	252	43,248	245	42,950	521	87,528	519	89,099
Total	389	133,509	378	111,864	378	138,582	347	107,632	767	272,091	725	219,496

Recapitulation.

Description.	Entered.				Cleared.				Total.			
	1891.		1892.		1891.		1892.		1891.		1892.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Total steamers	2,811	2,990,880	2,830	3,163,370	2,791	2,984,652	2,841	3,157,409	5,602	5,975,532	5,671	6,320,779
,, sailing vessels ...	389	133,509	378	111,864	378	138,582	347	107,632	767	272,091	725	219,496
Grand total	3,200	3,124,389	3,208	3,275,234	3,169	3,123,234	3,188	3,265,041	6,369	6,247,623	6,396	6,540,275

Annex 2.—RETURN showing the Movements of British Vessels at the Port of Shanghai, during the Year ending December 31, 1892.

Distribution.	Inwards.		Outwards.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.
Great Britain	139	245,971	82	144,472
Mail steamers	23	45,325	24	48,253
Hong-Kong	129	177,907	94	139,671
India, Straits Settlements, and Siam ..	6	3,139	3	4,926
Philippines	..	..	7	9,912
Chinese coast ports ..	740	879,874	693	818,336
Yangtze River ports ..	392	444,660	497	559,480
Japan	80	118,688	128	208,355
Vladivostock and Nicolaievsk	2	1,996	7	9,338
British America and United States ..	41	92,996	50	104,865
Australian Colonies ..	20	23,807	..	..
Total	1,572	2,034,363	1,585	2,047,608
Number of crews..	70,245		70,396	

Annex 3.—RETURN of Principal Foreign Articles of Import to Shanghai during the Years 1891–92.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
			Taels.		Taels.
Opium—					
Malwa	Piculs	20,990	7,640,378	21,058	8,002,306
Patna	,,	9,089	2,708,524	8,402	2,814,754
Benares	,,	7,004	2,024,271	6,116	2,030,645
Persian	,,	80	19,680	279	72,540
Cotton goods:—					
Shirtings—					
Grey	Pieces	5,644,671	9,595,940	6,117,642	10,399,992
White	,,	1,914,680	3,350,689	1,567,411	2,899,711
Dyed plain	,,	105,219	252,525	131,040	314,496
Figured	,,	36,563	73,126	43,188	86,376
T-cloths—					
English	,,	1,427,386	1,654,164	1,372,873	1,652,061
Bombay	,,	206,295	206,295	363,148	368,816
Drills—					
English	,,	277,014	544,907	154,715	309,430
American	,,	856,545	1,884,399	638,457	1,436,529
Dutch	,,	28,540	48,365	34,680	53,020
Bombay	,,	156	343	420	924
Jeans—					
English	,,	145,639	218,459	123,767	191,839
Dutch	,,	47,511	77,918	16,220	25,952
American	,,	16,500	28,050	18,000	30,600
Sheetings—					
English	,,	870,529	1,767,173	652,931	1,338,509
Bombay	,,	29,095	42,187	50,905	96,720
American	,,	2,009,071	4,520,410	1,314,615	3,156,000
Chintzes and furnitures	,,	51,041	51,041	52,586	52,586
Cotton prints, plain	,,	299,717	389,631	367,036	495,500
Twills, printed	,,	81,093	154,068	190,074	380,148
Turkey-reds	,,	738,561	1,070,149	344,948	436,691
Cotton—					
Lastings	,,	309,782	774,355	368,188	920,471
Italians	,,	108,842	223,761	130,274	274,516
Velvets and velveteens	,,	41,725	181,331	41,714	272,065
Cotton handkerchiefs	Dozen	378,022	151,209	573,240	229,310
Towels	,,	565,787	166,317	508,454	153,827
Cotton yarn—					
English	Piculs	38,574	798,485	16,552	331,041
Bombay	,,	606,855	9,806,775	691,556	11,064,904
Woollen goods—					
Camlets	Pieces	92,712	741,696	69,324	596,186
Lastings	,,	102,693	653,535	105,840	711,652
Long ells	,,	90,942	372,862	76,550	348,303
Spanish stripes	,,	47,611	423,737	49,543	470,659
Cloth—					
Broad, medium, and habit	,,	11,723	211,014	14,461	289,220
Russian	,,	9,923	224,260	20,854	513,006
Italian, plain and figured	,,	109,256	527,497	73,443	412,537
Lustres and Orleans, plain and figured	,,	13,716	38,569	12,656	35,224
Flannels	,,	4,342	35,007	4,443	44,460
Metals:—					
Iron—					
Nail rod	Piculs	362,159	669,130	217,359	391,247
Bar	,,	131,420	229,985	85,833	167,376
Plates	,,	55,958	150,022	29,450	73,166
Wire	,,	53,643	208,991	54,875	208,537
Pig	,,	56,544	56,544	90,983	104,630
Old iron, all sorts	,,	627,401	749,521	513,300	571,825
Tin, in slabs	,,	40,855	880,438	41,911	1,089,698
Lead, in pigs	,,	76,010	269,837	124,512	429,579
Copper slabs, Japanese	,,	28,160	329,470	22,597	311,838
Steel bars	,,	33,681	121,253	23,349	81,721
Sundries:—					
Bêche-de-mer	,,	16,174	478,525	17,939	595,186
Coal	Tons	359,621	1,618,295	375,415	1,867,075
Dyes, aniline	Piculs	...	781,164	...	780,835
Ginseng, American	,,	944	269,318	976	273,258
Glass windows	Boxes	69,750	153,671	44,323	101,943
Glassware	Piculs	...	102,034	3,917	39,171
Isinglass	,,	7,165	194,804	7,387	162,525
Machinery	...	...	546,434	...	225,709
Matches—					
European	Gross	655,158	192,247	625,919	176,452
Japanese	,,	1,208,769	210,827	1,322,297	225,173

RETURN of Principal Foreign Articles of Import to Shanghai during the Years 1891–92—continued.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
			Taels.		Taels.
Medicines, foreign	...	...	84,990	...	81,293
Needles	Mille ...	2,384,769	303,174	1,894,047	259,177
Oil, kerosene—					
American	Gallons ...	25,588,025	2,518,494	17,191,400	1,640,917
Russian	,, ...	9,331,160	880,318	3,836,476	345,336
Paper, foreign	Piculs ...	6,019	179,703	...	...
Railway plant and materials ...	...	...	12,007	...	138,184
Seaweed, Japanese	Piculs ...	289,562	579,120	382,819	716,365
Soap	Boxes ...	149,833	132,553	205,047	216,692
Telegraphic materials	...	...	81,136	...	103,711
Timber, soft wood planks ...	Sq. feet ...	16,174,294	291,138	14,973,009	269,514
Sugar	Piculs ...	71,850	625,770	247,998	1,169,394
Umbrellas	Pieces ...	393,980	110,717	596,071	160,894
Watches	,, ...	21,716	79,548	29,334	112,261
Unenumerated	...	...	9,311,775	...	...
Total	...	...	77,336,571	...	78,777,426
Equivalent in sterling ...	...	...	18,367,435*l.*	...	...

Annex 4.—RETURN of Principal Native Articles of Import to Shanghai during the Years 1891–92.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
			Taels.		Taels.
Silk:—					
Raw—					
White	Piculs ...	1,389	319,555	970	218,157
Yellow	,, ...	10,556	2,427,911	10,396	2,339,091
Wild	,, ...	6,968	627,156	8,620	810,324
Cocoons	,, ...	4,925	235,998	731	36,553
Waste	,, ...	25,542	1,277,130	23,392	943,697
Piece-goods	,, ...	2,174	1,395,072	2,227	1,336 068
Pongees	,, ...	1,727	276,355	2,725	435,955
Tea—					
Black	,, ...	283,376	6,304,831	276,734	5,534,679
Green	,, ...	194,777	3,321,355	189,137	3,593,607
Brick	,, ...	293,326	1,466,632	265,426	2,123,407
Opium, native	,, ...	182	49,466	2,121	608,014
Sundries:—					
Beancake	,, ...	640,322	1,344,677	560,802	448,642
Beans	,, ...	646,332	825,190	503,939	670,958
Chinaware	,, ...	26,489	440,146	32,314	512,217
Cloth, native	,, ...	8,184	327,389	6,887	275,516
Coal	Tons ...	41,222	152,518	43,963	162,663
Cotton, raw	Piculs ...	23,565	254,506	33,798	337,990
Fungus	,, ...	16,499	387,727	16,790	369,393
Grass cloth	,, ...	4,798	302,405	4,605	272,245
Hemp	,, ...	122,448	820,448	124,069	769,227
Hides	,, ...	59,787	575,021	50,032	419,016
Medicines	,, ...	195,088	1,538,883	205,806	1,542,929
Oil, wood...	,, ...	86,687	468,112	109,416	522,166
Paper	,, ...	151,315	1,654,431	164,876	1,876,254
Rice	,, ...	261,969	476,189	1,341,692	2,012,538
Rugs, skin	Pieces ...	521,565	425,364	790,588	735,876
Straw-braid	Piculs ...	73,040	1,460,788	78,287	1,837,676
Sugar—					
Brown	,, ...	942,350	2,544,347	829,672	2,074,179
White	,, ...	627,364	3,136,817	399,707	1,638,804
Candy	,, ...	48,192	337,344	45,994	374,185
Tallow, vegetable	,, ...	37,180	271,413	56,053	403,586
Tobacco	,, ...	118,630	1,592,230	136,542	1,904,865
Varnish	,, ...	8,578	312,262	9,083	327,021
Vermicelli	,, ...	98,355	403,255	91,765	376,238
Wax	,, ...	9,755	355,786	9,488	478,359
Wool—					
Camels'	,, ...	17,303	168,081	21,077	207,423
Sheeps'...	,, ...	9,444	72,723	131,220	1,180,984
Unenumerated articles ...	...	...	12,122,744	...	9,427,557
Total	..	...	47,374,027	...	49,190,079
Equivalent in sterling ...	...	...	11,251,331	...	10,657,934

NOTE.—Exchange at 4*s.* 4*d.* to the tael.

Annex 5.—Return of Principal Native Articles of Export from Shanghai during the Years 1891–92.

Articles.		1891.		1892.	
		Quantity.	Value.	Quantity.	Value.
Silk:—			Taels.		Taels.
Raw—					
White	Piculs	49,925	13,969,869	51,601	15,723,653
Yellow	,,	10,622	2,443,215	9,544	2,147,484
Wild	,,	8,925	803,261	9,172	862,223
Cocoons	,,	7,325	366,272	3,316	165,788
Waste	,,	41,186	2,059,315	39,863	1,594,543
Piece-goods	,,	10.588	6,353,025	11,152	6,691,362
Pongees	,,	1,597	255,649	2,465	394,495
Tea—					
Black	,,	283,177	6,280,317	269,729	5,415,540
Green	,,	205,914	3,529,058	187,995	3,481,454
Dust	,,	2,348	14,093	870	5,221
Brick	,,	289,689	1,448,448	281,738	2,253,911
Leaf	,,	3,287	23,013	1,525	18,306
Sundries:—					
Beancake	,,	355,285	746,098	390,072	312,067
Beans and peas	,,	409,929	571,930	414,351	596,842
Books, printed	,,	5,298	238,399	5,117	230,307
Chinaware	,,	27,049	439,993	32,860	522,386
Cloth, native	,,	29,680	1,187,197	33,716	1,348,662
Cotton, raw	,,	624,923	6,749,162	633,323	6,333,233
Grass cloth	,,	4,703	278,069	5,186	284,533
Hemp	,,	97,801	665,702	105,936	656,808
Hides	,,	60,987	621,026	51,208	409,670
Medicines	,,	173,055	1,277,013	186,197	1,313,324
Musk	Taels	49,616	393,301	53,541	334,632
Nutgalls	Piculs	41,828	388,997	40,233	482,800
Paper	,,	131,304	1,425,061	157,639	1,585,230
Rice	,,	2,279,893	4,103,808	2,531,250	3,796,727
,, duty free	,,	2,620,799	4,717,438	988,006	1,482,010
,, tribute	,,	927,127	1,668,829	993,889	1,490,834
Skin rugs	Pieces	641,583	546,335	785,592	703,303
Straw braid	Piculs	73,348	1,605,729	85,488	2,005,861
Sugar—					
Brown	,,	573,659	1.548,884	467,692	1,169,232
White	,,	545,924	2,274,618	340,399	1,395,637
Tobacco	,,	60,193	330,050	64,180	918,513
Vermicelli	,,	96,756	396,697	65,213	267,375
Wax, white	,,	10,482	427,658	8,018	449,059
Wheat	,,	1,012,950	1,468,777	1,235,938	1,606 720
Wool—					
Camels'	,,	18,145	181,672	24,653	241,683
Sheeps'	,,	108,396	857,099	143,790	1,266,043
Unenumerated articles	...	...	34,090,329	...	...
Total	...	...	80,994,790	...	79,532,823
Equivalent in sterling	...	...	19,236,262*l.*	...	17,232,111*l.*

Note.—Exchange at 4*s.* 4*d.* to the tael.

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1893.

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No. 1280.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

CHINA.

REPORT FOR THE YEAR 1892

ON THE

FOREIGN TRADE OF CHINA.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 41.

Presented to both Houses of Parliament by Command of Her Majesty,
AUGUST, 1893.

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CHINA.

PEKIN.

Mr. Beauclerk to the Earl of Rosebery.

My Lord, *Pekin, May* 12, 1893.

I HAVE the honour to inclose herewith to your Lordship a Report on the Foreign Trade of China during the year 1892, which I have compiled under the instructions of Her Majesty's Minister.

I have, &c.
(Signed) W. BEAUCLERK.

Report on the Foreign Trade of China for the Year 1892.

ABSTRACT of Contents.

	PAGE
General review	2
Consular reports—	
Amoy	2
Wênchow	4
Ichang	5
Tainan	5
Chefoo	7
Foochow	8
Wuhu	10
Pakhoi	11
Swatow	11
Chinkiang	13
Customs reports (general)	13
Tientsin	15
Shanghai	16
Newchwang	18
Hankow	18
Ningpo	19
Kiukiang	20
Chungking	20
Tamsui	22
Kiungchow	24
Canton	24

ABSTRACT of Contents—continued.

	PAGE
Further notes	26
Lappa	29
Corea	31
Mengtsz	33
Lungchow	34
Hong-Kong (Kowloon)	35
General remarks	36
Kerosene oil	36
Indian yarn	36
Shanghai cotton mill	36
Opium	37
Matches	38
Tea	38
Pekin	39
Wool trade	40
Railways	41
Ningpo cotton mill	42
Banking	42
Corean fisheries	44
Value of foreign trade	44
Conclusion	44

General review.

In the absence of all official Government statistics and publications, no details can be collected respecting the native or internal Commerce of the Chinese Empire.

All that can be done is to give a résumé of the foreign trade, by means of the reports furnished by H.M.'s Consuls and the Imperial Maritime Customs. As the said reports are printed in full and published before this paper can be completed, it offers but little original information, and may only be useful as a summary of the whole subject, and as affording a comparison between the circumstances of the several Treaty Ports and a general aspect of the conditions of trade, so far as the increase or decrease of exports and imports is concerned.

Consular reports.

The following is a short digest of the reports of H.M.'s Consuls for 1892:—

Amoy.

The report of H.M.'s Consul at Amoy shows that there has been a decrease in the net silver value of trade to the amount of 48,311*l.* as compared with 1891.

The falling off in the sterling value must be computed at a higher figure, owing to the unprecedentedly low rate of exchange which has occasioned a decrease of 332,202*l.* in the gross value, and 228,811*l.* in the net value of the trade, as stated in sterling.

Shipping.

The total shipping of the port under all flags has considerably increased; the majority of the shipping and its increase being British owned. British sailing ships have decreased in number, whilst German have slightly advanced. The great expansion of the kerosene oil trade has encouraged the employment of American sailing vessels. British steamers have greatly increased in number, and have reached a higher total than in any previous year. German and Chinese steamers have fallen off in number. Pro-

posals to run local Chinese steamers have hitherto failed to obtain the sanction of the Provincial Government.

The Java trade has fallen entirely into British hands by the withdrawal of the Dutch steamers. Java trade.

With regard to imports, every kind of cotton goods, with the exception of Turkey-reds, has increased in quantity and fallen off in value, owing to the depreciation of silver. Opium shows a decrease of 57,395 lbs., or about 8 per cent.; this is due to the rapid advance in price at Hong-Kong during the autumn and the subsequent drop, on account of which speculators invested largely in Persian and Patna; though the Benares drug is still the favourite at Amoy. Foreign houses are not doing much business in opium, and the native drug is making a steady advance in the market. Poppy cultivation is increasing every year, and the quality is not much inferior to the Persian. Imports. Cotton goods. Opium.

Bombay yarn has largely taken the place of the Manchester article; owing chiefly to the depreciation of silver and uncertainty of exchange; importers not daring to keep English goods in stock on account of the risk ensuing upon the present state of the money market. Bombay yarn.

Woollens have increased in quantity but not in price. Iron and steel have declined; lead and tin have increased from the larger export of Amoy teas. Woollens. Metals.

Foreign coal has been less imported; raw cotton and fish, dried and salted, show an important increase. European matches have fallen to less than half the quantity imported in 1891, but have advanced in value—the contrary is the case with Japanese matches. Coal; raw cotton; fish; matches.

An abundant harvest and low prices have reduced the import of foreign rice to an insignificant figure. The importation of kerosene oil has doubled, Russian oil from Batoum has been introduced, and prices have fallen on account of its competition with the American oil. The provincial authorities have attempted to prohibit the sale of kerosene in some districts, in the interests of a small ring of privileged monopolists; but this trade has made gigantic strides, for in 1872 only 8,711 gallons were imported, as against 21,740 gallons in 1882, and 2,364,900 gallons in 1892—in the last 5 years the increase has been over 1,000 per cent. Yet it is believed that the trade in this article is still in its infancy. Foreign goods. Rice. Kerosene.

Exports have decreased 88,320*l.*—almost entirely in goods of native origin. Exports.

The tea season was a good one; most of it goes to the United States. The export of Amoy tea shows an increase, and that of Formosa tea was also very large. The downward course of the local tea trade thus appears to be checked; though it is doubtful whether it can permanently resist the competition of India, Ceylon, Java, and Japan. Tea.

Though the state of the tea trade has been satisfactory, merchants have suffered in other respects. Low freights have only been procured at the expense of the shipowners. Japanese competition tells very strongly against the Amoy tea trade. If

the China tea trade is extinguished, British merchants and ship-owners will suffer great loss; for not only will the export trade come to an end, but the population of the tea-growing districts will be unable to buy foreign imported manufactures.

Sugar. The sugar export has declined; almost all of it is shipped to North China.

Miscellaneous. Other articles show an increase in quantity, but a diminished value, viz., paper, bulbs, earthenware, lichees, samshu, and tobacco.

Emigration. Emigration in British ships to the Straits Settlements has decreased by 7,563 as compared with 1891. No riots nor disturbances have occurred in the Province of Fukien. Health has been good, with the exception of considerable mortality from influenza among natives during the spring.

The pilot service requires amendment.

Wênchow.

General remarks. The area of which Wênchow is the port is very mountainous; but it has a good number of natural productions for export. The few lowlands give barely enough rice and vegetables for home supply.

Decline. Trade suffers for want of capital in contrast with the former wealth of the city; consequently the imports are nearly all of inferior grades, and native business does not amount to much more than peddling.

Iron. Excellent iron exists in the hills, but it is not properly worked, owing to the hindrances which obstruct mining. Timber is getting scarce and dear, as the hills are being rapidly denuded of trees.

Commercial monopoly. A practical monopoly of sea carriage in the hands of the China Merchants' Company has given them large profits, whilst choking the trade of the port, where no foreign merchant resides. Competition, in this respect, would be valuable in May and November (the tea and orange seasons).

Emigration. The people are indisposed to emigration.

Products. The principal products of Wênchow are as follows:—Square bamboo, a small and minor industry. Steatite or soapstone, which is dug out of galleries, pierced in the hill-sides to a length of from 1 mile to 3 miles or more. It is sold at various prices according to the size, shape, and colour of the lumps; the colours are very varied, and the most valuable kind is as precious as real jade. This industry employs some 2,000 miners and carvers. Seals, vases, cups, and various fancy articles are made of the stone. Rhea fibre is extensively prepared. Soy and beancurd form one of the most flourishing manufactures. The making of this condiment, as well as the working of soapstone, are described in a graphic and interesting manner by H.M.'s Consul in his original report.

Rain-cloths and mats are made from palm coir, also an important industry of the place. Alum is produced in considerable quantity. Oranges are mostly sent to Mongolia. Exportation

of tea is steadily increasing; but, as elsewhere, it is subject to heavy taxation, making it very difficult to successfully withstand competition. By the taxes, the cost to the foreign exporter is increased by at least one-sixth. The finest first crop fetched 3*s.* 9*d.* per pound.

All commerce and industry suffer from the great addiction of the people to holidays, festivals, plays and processions.

Ichang.

Ichang is only a port of transit for the large markets of the west, and this circumstance causes trade statistics to be somewhat delusive. For instance, the Foreign Customs Returns show a total value of over 2,500,000*l.* sterling; but almost the entire value is re-exported, and the local trade itself is only to the amount of 346,913*l.*

Cotton yarn and opium.

The importation of Bombay cotton yarn has enormously increased. No foreign opium is used, as the local product is far cheaper and suits the taste of the consumers.

Shipping.

The majority of the shipping to the port is British owned, the remainder being under the Chinese flag.

The most successful steamer for river navigation is a stern-wheeler of 677 tons, with very light draught of water. Chartered junks are much used, and are largely increased in number.

Imports.

There has been an increase of imports, of which Bombay yarn represents 50 per cent.; the increase over 1891 of this merchandise amounted to 86,229 cwts.

Chinese cotton cloth, manufactured at Shanghai, is now largely imported at Ichang. Native silks were imported to the value of 380,406*l.* Exports of local produce have shown satisfactory increase.

Customs revenue.

Foreign customs revenue amounted to 28,585*l.* as against 25,068*l.* in 1891. The duties on Chinese opium alone amounted to 25,203*l.*

Cholera.

In the spring and early summer the cholera claimed multitudes of victims among the Chinese; but none amongst the Europeans. The summer was unprecedentedly hot and dry, in consequence of which much of the rice crop was lost.

Tainan.

Our Consul at Tainan reports that the tendency of trade in South Formosa is to decrease, principally on account of high taxation which commenced in 1886 both in the shape of likin duties and a higher assessment of land-tax.

Land-tax.

The land-tax was raised to so high a figure that the people refused to pay it and disturbances ensued, almost amounting to rebellion. Hence immigration ceased, trade steadily declined, and the export of sugar—the principal staple industry of the island—showed a lamentable falling off. The decrease in the rural population entailed higher wages and dearer cost of production; as

well as a great rise in the price of food, and an impoverishment of the cultivated ground. Under these circumstances there is naturally a lack of money to invest in the improvement of the soil.

Rice. The rice export trade has been completely absorbed by the junks, whereas, in the early days of the port, large quantities were exported in foreign bottoms. This export has greatly diminished; but is increasing in importance at the north-western ports of Formosa.

Imports. The foreign import trade appears to have been almost stationary for the past 10 years; the average annual value being about 326,443*l.* sterling.

Opium. Opium is the principal article of import and the consumption is increasing, owing to the greater prevalence of smoking amongst the urban populations and the comparative cheapness of the Persian drug, which has nearly excluded the Indian altogether.

Differential duties have caused foreign importation to suffer severely, to the benefit of the junks.

Value of foreign trade. The total value of foreign trade has decreased by 125,771*l.* since the preceding year. The amount of tonnage employed and the numbers both of steamers and sailing ships have also fallen off since 1891. Most of the crops were a failure in 1892, particularly rice, sweet potatoes, and sugar; and there was much distress among the poorer classes. The prospects for the crops of this year are bad in the extreme; as the sugar canes have been damaged by severe typhoons, and the rainfall has been very small.

Camphor. The trade in camphor is improving and becoming important. The high price of the article has induced foreign merchants to purchase it for sale at Hong-Kong, where it has fetched from 5*l.* to 8*l.* per picul of 133⅓ lbs., leaving handsome profits to the sellers.

Central Formosa is thickly wooded, and there is no fear of the camphor supply being exhausted for many years to come. The district is tranquil, and the Government monopoly has been abandoned, though the local authorities attempt, in some instances, to interfere with foreign trade in this commodity.

Earthquake. On April 22, 1892, a great earthquake caused much damage to buildings of all sorts at Anping and Takow, to the extent, indeed, that the price of labour and of building materials was more than doubled. The typhoons above alluded to caused even more loss than the earthquake. Great numbers of people were drowned, entire villages were swept away, junks were driven out to sea and lost, and crops of all descriptions were destroyed.

Wreck of "Bokhara." On October 10 the "Bokhara" was wrecked in a typhoon off the coast.

Incursion of aborigines. In August some aborigines in the south made serious incursions into neighbouring districts. Chinese troops were sent against them, but returned at the end of the year discomfited by the ambuscades of the enemy, and having lost many men at their hands and from disease. On the other hand, some shipwrecked Japanese were humanely treated by the natives.

Chefoo.

The total gross value of trade in 1892 at Chefoo amounted to 2,812,390*l.*, as against 3,091,373*l.* in 1891. The decrease is, however, said to be more apparent than real, being due only to the fall in the value of silver. Exports have increased and imports decreased in quantity; but the latter have varied very little during the past three years. Total trade.

Very little opium is imported, as smokers are contented with the native drug, and the consumption does not appear to increase, but if anything rather the reverse. Opium.

A first consignment of machinery arrived, consisting of electric light plant for Port Arthur. Machinery.

The export of silk shows an advance, and the quality is good. Silk and straw-braid are the staple exports of Chefoo, and the only ones of interest to English trade. The prospects for this spring are not so good. A good deal of silk pongee is sent to Burmah. A severe hailstorm last autumn destroyed immense numbers of cocoons, and did great damage also in other respects. Silk.

The straw-braid trade had a good demand, principally from Germany. Straw-braid.

There is great need of a larger market, and the competition of more foreign merchants would stimulate native industry and local commerce.

British, Russian, and American shipping have increased, and notably Japanese, German, and Scandinavian have decreased, whilst Dutch has been altogether absent. Shipping.

The steamer companies have organised a close corporation to keep up high freights, which are lowered only on the appearance of competition on the part of outsiders, and raised again immediately upon its cessation.

At the beginning of the year the German steamship "Marie" was wrecked off the coast and 24 lives were lost. The customs lifeboat did good service on this occasion. Wrecks.

In June a Chinese steamer was wrecked off the Shantung Promontory.

During November the American barque "Escort" was wrecked in a gale, about 30 miles east of Chefoo, and other ships were more or less damaged.

A lighthouse is being built on the promontory, on the west of Manchuria, and the Shantung light has been greatly improved. Lighthouse.

The amount of customs revenue was 70,320*l.*, an increase upon that of 1891. Of this sum 34,133*l.* was paid under the British flag.

H.M.'s Consul characterises 1892 as "a year of unfulfilled promises." There were promises of harbour improvement, military roads to be made, gold mining to be prosecuted with vigour. Engineers were to come from Europe and America with new machinery. Lead, iron, and coal mines were to be worked with foreign appliances. Trade was to be developed and the Unfulfilled promises.

valley of the Yellow River opened to steamer traffic by the construction of a canal. Nothing much has been made beyond the promises.

Defences. It appears that the Chinese Government are penetrated by a sense of the importance of keeping out invaders by forts and naval stations. During 1891–92 several Krupp guns have been ordered for two of these forts, which are in process of construction at Chefoo. Military road-making is a part of the scheme of defence; but the result seems to be much the same as all imperial road-making in China, viz., that passengers and traffic deviate into the fields to avoid the roads, upon which it is more difficult to travel than in the open country. The military roads, as hitherto made, without stone, will not bear the weight of a single cannon. More steamers are urgently required to ply between Chefoo and Port Arthur, both for passengers and goods. The Chinese men-of-war make a regular business of carrying passengers on this trip; and a large quantity of merchandise is, no doubt, conveyed surreptitiously by this means under the head of passengers' luggage.

Opening of Yellow River. As to the opening of the Yellow River to steamer traffic, the Consul quotes a graphic description of the canal works from the Board of Trade journal for November, 1892, which need not be here reproduced. He remarks that the Chinese authorities have committed an error in building a town on a site where no one can live, viz., in the midst of a vast salt marsh, where nothing will grow, where no provisions are to be bought, and where there is no drinkable water. He adds, however, that the scheme of improving communication with the provincial capital is a hopeful one, and, if carried out successfully, will do much to improve the trade of the whole of North China. There has been talk also of the construction of reservoirs and waterworks for Chefoo, a project which may come to maturity at a future date.

With the exception of one slight disturbance during summer, peace prevailed throughout the province in 1892.

Flood. A flood occurred on the Yellow River in autumn, causing much damage, but the banks have been successfully repaired.

Spring market. The spring market was fairly good, but the more important one of millet and maize in autumn was inferior, owing to unfavourable weather.

Health. The health report for the year is favourable, and, though the mercantile community has not increased in number, Chefoo has become yearly more popular as a health resort in summer time. The Boys and Girls' School, conducted by the China Inland Missionaries' Society, is over-crowded, and large new buildings are to be erected to supply the demand for the accommodation of boarders.

Foochow.

Total trade. The total trade of Foochow for 1892 was 2,646,837*l.*, being a decrease of 423,662*l.* in 1891. The decrease was nearly equally shared by imports and exports. The decline is, however, here

also more apparent than real, on account of the depreciation of silver and the large quantity of munitions of war imported directly by Government, which can scarcely be considered as part of the ordinary trade of the port.

Shipping and freights.

Of the shipping 82 per cent. was under the British flag. On this subject H.M.'s Consul says :—"The days of empty steamers coming to lie here to await high freights on the opening of the tea market have gone never to return. The Foochow tea business in London is now so small that shippers absolutely decline to ship in empty bottoms, which means flooding the market with more tea than is wanted at one time." The first steamers get the higher freights, which have varied as much as from 15*s.* to 2*l.* per ton, the average of 1*l.* 10*s.* being steadily maintained.

Fall of silver.

The fall of silver has increased the prices of imports no less than 30 per cent., and has diminished the purchasing power of consumers in a corresponding ratio.

Cottons, Bombay yarn, native yarn.

The import of cottons has decreased, with the exception of Bombay yarn, which has risen by leaps and bounds. Native yarn, made at Shanghai, has not yet appeared on the market.

Opium.

In Persian opium there is an increase, owing to the failure of the native crop. In Indian there is a falling-off, on account of its comparative dearness, the decline in the prosperity of the port, and the consequent scarcity of money.

Tea.

The tea season was, on the whole, satisfactory, though the amount exported has remained stationary, and the successful competition of Indian and Ceylon teas is severely felt. This competition can never be resisted unless something be done to lower the heavy charges imposed by the Chinese Government on teas before they leave the country. From all the tea-growing districts the same complaint is heard, that as long as tea has to pay likin, export, and other taxes, which amount to as much as 5 dol. per picul, it cannot possibly compete with the untaxed article of India and Ceylon. By this short-sighted policy the Chinese authorities are gradually but surely killing a once prosperous industry, which gave remunerative employment to thousands of their people. A removal, or even a considerable reduction of these imposts would go far to revive the trade, even now in its almost moribund state, for the cost of production must always be less than in Ceylon and India.

[Her Majesty's Minister at Pekin has caused the Tsungli Yamên to be informed of the opinions of our Consul upon this subject.]

Banking.

In 1891 the Hong-Kong and Shanghai Bank imported 150,000 dol. worth of small silver coinage for the Chinese authorities, but in August of that year an order was issued that the Canton Mint coins were to be taken at par with the Hong-Kong coins, and in 1892 the local authorities imported 350,000 dol. worth of Canton small coins. This supply was found insufficient, but the Hong-Kong Government were not able to supply any small silver, a large amount of which might have been placed in circulation; and now that a new mint is

being established at Pagoda Anchorage, there is not much chance of the Hong-Kong coinage coming to the front again and bringing in a profit of some 12 per cent. to Her Majesty's Government.

Although the tea business has benefited by the low rate of exchange, the trade in Manchester goods and foreign sundries has suffered, and is doomed if the fall continues, whilst a rise of any importance might go far to extinguish the flickering prosperity of the greatly diminished tea trade.

In any case the commercial prospects of Foochow are not cheering.

Wuhu.

The report from Wuhu is of a far brighter nature, a steady advance being recorded in the foreign trade and general prosperity of the port.

Imports. Imports of foreign merchandise, and particularly of cotton goods, have largely increased, and the entries of steamers was greater by 154 vessels than in 1891. Over 65½ per cent. of the total trade was carried under the British flag, which has notably taken the place of the German in the rice trade.

Chinese crews. H.M.'s Consul praises highly the good conduct of the Chinese crews employed on British river steamers, only two complaints of insubordination having been made during the year.

The three principal steamship companies engaged in the Yangtze trade did not work amicably together, and competition between them became very keen, so that passenger rates were reduced to a very low figure, and a large number of Chinese availed themselves of the opportunity to travel cheaply by river.

Timber. A good deal of trouble was caused by the large timber rafts coming down from above Hankow, and greatly endangering shipping of all kinds. The timber trade is on the increase.

Exports. Exports show some falling off from the immense increase of nearly 70 per cent. in 1891; but the decline is not so large as might have been anticipated, especially in consideration of the depreciation of silver.

Rice trade. In 1891 there was an extraordinary expansion of the rice trade, the export of which was over 100 per cent. in excess of that of the previous year. The export in 1892 would probably have been larger still but for the comparative failure of the crop in the districts north of the river, and an attempt of the authorities early in the year to impose an extra tax on rice, which was only defeated in the autumn after a protracted struggle.

Raw silk, piece-goods, wheat, and tea. Next in importance comes the export of raw silk and piece-goods. The latter increased in value 25,871*l.* in 1892. The export of wheat was also larger than ever before since the opening of the port, and exceeded that of 1891 by as much as 238 per cent. In tea there was a great falling off.

Imports. The net total value of the import trade of the year was 1,277,966*l.*, an increase of 52,328*l.* over that of 1891. Foreign opium was stationary, and there was a decline in the consumption of the native drug, the Kiangsu crop having been seriously

Opium.

damaged by rains. More than half of the net value of foreign imports was due to the import of cotton goods alone. Cotton goods.

There was no import during the year direct from foreign countries.

The revenue of the Imperial Maritime Customs amounted to 158,695*l.* for the year. Customs revenue.

In compiling this summary of trade reports, the transit-pass trade is omitted, as it is being dealt with in a separate paper.

Pakhoi.

A satisfactory account comes also from Pakhoi, where there is a very substantial increase in the sterling value of trade, in spite of the fall in silver, and of a heavy decrease in some of the chief articles of import.

The amount of shipping decreased, owing to the cessation of Chinese emigration to Deli in Sumatra, which ceased in the summer of 1891. Only five steamers have been engaged in trade, not one of which sailed under the British flag; our vessels being too large for the trade. H.M.'s Consul says: "No foreigner has any interest in Pakhoi in the shipping trade, which (as is the case practically with the whole trade of the port) is in the hands of Chinese, who have the entire control of it." Shipping.

The export trade in 1892 was the largest on record since 1877, when Pakhoi was opened to trade under the Chefoo Convention, and shows an increase of 62,000*l.* over 1891, chiefly in star aniseed and essential oils destined for Europe, and in indigo for use in China, which is by far the most important article of export from the port. The trade in hides and live pigs has also increased. Exports. Star aniseed, essential oils, indigo, hides, and pigs.

Imports have advanced by 19,420*l.* over 1891, owing entirely to the increased purchase of Indian yarn; all other articles having decreased except matches, kerosene, and flour. There is a progressive decrease in the import of Indian opium and cotton piece-goods. Great quantities of Indian and Yünnan opium are smuggled, and enter without paying custom dues. Imports. Indian yarn, matches, kerosene, and flour. Opium, cotton, piece-goods.

A good deal of the general trade has been diverted from Pakhoi to the Tongking route; but the year was, on the whole, a prosperous one, and the merchants were satisfied with the results obtained. There were no failures; but, on account of low freights, the year was not profitable either to the steamers or the Chinese charterers. General trade.

No serious troubles occurred in the district, and the spring harvest was a good one. Some reduction was made in inland taxation.

Swatow.

In the report by H.M.'s Consul on the trade of Swatow, we find that the total trade fell short of 1891 by 400,000*l.*, and of 1890 by more than 1,000,000*l.*

The great bulk of the trade is with other treaty ports, or with

the Straits Settlements, and indirectly with India; that is with silver-using countries, so that very few imports have to be paid for in gold.

Emigration. Swatow is a great port of emigration, some 60,000 men (counting those from Amoy) leaving, and 45,000 returning to the district annually, and bringing with them their earnings in silver, the amount of which must be considerable.

Decline. There has been a falling-off in trade all round, but it is most marked in exports, and particularly in that of sugar.

Since the sugar crop of one season does not come into the market till the following spring, the cause of this decline must be sought in the harvest of 1891, which, owing to a disastrous typhoon in September, was in many places very poor indeed.

Towels. In towels alone has there been an improvement in the quantity imported. This must not be taken to signify any increased attention to cleanliness, for the towels, are as a rule, used as clothing. The breadth of the ordinary towel being that from shoulder to shoulder, two towels sewn together will make a coat. Sleeves are dispensed with, and, except for the armholes, there is none of that waste of material which is so distasteful to the Chinaman.

Old iron. It is an interesting, if melancholy fact, that a very large proportion of the old iron imported and sold at Swatow consists of the materials of the steamers wrecked near the port during the few past years.

Kerosene. There has been a great falling off in the import of American kerosene, but an enormous increase in Russian, and the progress —almost in geometrical ratio—has not apparently yet reached its highest point. The matches imported are nearly all Japanese.

Medicines. Amongst the favourite medicines purchased by the natives, who are avid consumers of drugs of all kinds, are anti-opium specifics and aphrodisiacs.

Emigration. Emigration is directed to the Straits, Bangkok, Saigon, and Sumatra. In Siam there is a large demand for coolie labour on the railways and other works in process of construction. On January 8, the steamship "Namchow" was wrecked with 340 returning emigrants on board, of whom only 50 were saved.

Railway to Ch'aochow. Schemes have been set on foot for making a railway to Ch'aochow (30 miles) and for building waterworks, but as yet they have had no practical result. The country people resisted the forced appropriation of their lands for the railway, quite as much as any interference with the graves of their families. A

Waterworks Company. waterworks company was formed with a capital of 150,000 dol., but here again the villagers intervened with various objections, the real difficulty apparently being that the water-pipes would have to traverse portions of 13 parishes, the headmen of which all demanded compensation on an altogether unreasonable scale.

A fairly satisfactory year. The year was, commercially, a fairly satisfactory one for those concerned in the trade and shipping of the port. No fortunes were made, but none were lost, and the general prosperity may be said to have advanced by the business done. The goods carried were mostly Chinese-owned; but more than 92 per cent. of the trade was conducted by vessels under the British flag.

Chinkiang.

The following notes on the trade of Chinkiang are taken from the report of the Commissioner of Customs to headquarters in Pekin:—If exchange of produce may be regarded as indicating prosperity in trade, the year 1892 was one of general bliss for the Chinkiang district. The net value of the year's trade was some 2,200,000*l.* in excess of that of 1891, principally due to an extension of exports connected with increased briskness in the transit trade in goods brought thither from the interior for exportation.

Imports and exports.

Some of the staple imports and exports are on the decline, so that the present excess has come from fields hitherto but little cultivated, thus making up for shortcomings which would otherwise have left an unsatisfactory balance.

Locusts.

The summer was unfavourable to the growth of vegetable produce; during September a general drought prevailed, and swarms of locusts devastated the fields in spite of every effort to check their progress and destroy them. Renewed breaches of the banks of the Yellow River also caused much distress by damaging the crops of rice, beans, peas, and lily-flowers.

Fallings-off.

Import, coast trade, and opium duties have declined.

Wheat.

The wheat crop fortunately escaped the ravages of the locust plague.

Ground nuts.

A very large export of ground nuts to Canton is reported, there being a good demand for the oil made therefrom, as well as from sesamum seed, the latter of which is used also in the adulteration of opium.

Sesamum.

Piece-goods.

Silk piece-goods have advanced, and nearly 500,000 goat skins have gone to supply the American market.

Foreign imports.

In foreign imports there is a decrease in cottons, woollens, metals, sugar, and sundries. As elsewhere, the advance of Indian cotton yarn is phenomenal, amounting to an increase of over 200 per cent. American drills and sheetings maintain their position against the Manchester article; but both have had to yield before the common rival—native manufacture from Indian yarn in the interior and at Shanghai. Kerosene oil has fallen off by over 500,000 gallons, its use having been forbidden in the district, including Chinkiang. The importation of Japanese matches, sold by retail at 2 cash per box, has increased 20 per cent., "though nobody can tell how many millions fail to ignite." The consumption of native opium is driving the foreign drug out of the market.

Indian yarn.

Kerosene.

Opium.

Customs Reports.

General.

The reports of the Chinese Imperial Maritime Customs show that the value of foreign trade had increased in 1892, even over the unprecedentedly high total of the previous year.

There has been a decided net gain since the opening of Chungking as a port of entry to foreign trade in 1891, and there is a good reason to anticipate a large development in the demand for imports and exports for foreign markets.

The customs revenue showed a decrease in every division of receipts, with the exception of export duties, and the quantity of staple goods landed and shipped also declined. That the exceptionally high aggregate values of the trade of 1891 should have been maintained under these circumstances, is ascribed to the great depreciation in the gold value of silver, which enhances the market value of imports, and allows of higher prices being paid for exports to gold-currency countries, without adding to the laying-down cost.

Opium. The import of foreign opium showed a falling off of 6,663 piculs.

Instability of silver and fall in exchange. The instability of silver, and the constant fall in exchange, which reduced the value of the Haikwan tael from 4*s.* 11*d.* to 4*s.* 4¼*d.*, has had a paralysing and narrowing effect on foreign trade. One large bank went into liquidation, another had to resort to reconstruction, on account of its much-diminished capital, others returned no dividends. Interest on loans was raised, and credit became contracted; business had to be conducted with the utmost care, and caused much suspense to the merchant.

Cottons, woollens, miscellaneous, and metals. Of imports, cotton goods compare favourably with the returns of 1891; woollen and miscellaneous goods show a slight appreciation; metals a general shrinkage, and the total of sundries an appreciable gain.

Opium. The Indian Government having curtailed the quantity of Bengal opium sold at the monthly auctions, reduced importation and enhanced prices; but the stock bonded in China at the beginning of the year was quite sufficient to meet any demand on account of the diminished supply from India. The cheap Persian variety, including so-called Turkey opium, has advanced in favour, and is largely used for mixing with the Chinese drug.

Indian yarn. There has been a contraction in the import of cotton goods. The demand for English yarn is threatened with extinction by the cheapness of silver; but the import of Indian yarn has enormously increased, and it appears to find a ready market in every quarter of the Empire.

Metals. Metals generally show a general diminution in quantity and value.

Kerosene. The year's returns show a considerable decline in the quantity of kerosene oil, both Russian and American; but this is the effect of a glutted market, and not of any decrease of consumption.

Matches, coal, sugar. Matches, coal, and sugar show conspicuous increase.

Silk. Exports increased considerably in value, though China's two great staples—tea and raw silk—fell short in quantity of the figures of 1891. White and yellow silk was exported to advantage, owing to the low rate of exchange enabling purchasers to give a higher tael value without increasing the price in gold.

Tea. The export of all kinds of tea gives further evidence of the waning character of this trade by a notable decrease. The growing demand from Russia, which has hitherto sustained the China market, fell off enormously, owing to the restricted consumption, consequent upon the deplorable famine which visited that country.

A very large amount of native capital is now employed in supplying the domestic wants of Chinese residents abroad. In this respect Chinese clothing, boots and shoes, fish and fruits, thus contribute freight to the foreign outward tonnage. Paper and rice were also important exports; the well-to-do Chinese abroad willingly pay a high price for home-grown rice. The supply of sheep and camels' wool from North and Central China has reached a high figure. Sugar statistics compare unfavourably with those of past years.

There is an ever-growing increase in the amount and tonnage of shipping employed both in the foreign and coast trade of China. Increase in amount and tonnage of shipping.

The high price of gold in the west has caused a large efflux of the yellow metal from China in the shape of bullion. Gold.

By the courtesy of Sir Robert Hart, Inspector-General of Maritime Customs, I have had access to the separate reports of the Commissioners of Customs at the treaty ports, from which the following notes are taken:— Separate reports of Commissioners of Customs.

Tientsin.

The Commissioner at Tientsin says that, eminently satisfactory as the past year was, when compared from a revenue-yielding point of view with previous years, the trade of 1892 cannot, on the whole, be said to have realised the bright anticipations with which it opened. Foreign merchants and native dealers alike have had no reason to be dissatisfied with regard to exports; but imports bear a very different complexion; since, from the steady fall of exchange, dealers in foreign commodities, unable to meet the pressure of enhanced prices in a market already somewhat overstocked, have had to be content to unload their cargo without tempting fortune further.

The native importer has also had to contend against an even more serious foe, for this region has again been a victim to floods nearly as disastrous as those of 1890. Floods.

A falling-off is noted in the coast trade. Coast trade.

The demand for woollen goods in the land of furs is confined to the weathier classes, and declined in 1892 by 25 per cent. In metals, lead increased 100 per cent. The increased value of export justifies all that has been predicted as to the ever-growing importance of Tientsin amongst the produce marts of the world. Woollen goods. Metals.

Lamb-skin clothing has more than trebled its export since 1891; but this trade is hard hit and is unlikely to recover; because a supply of inferior quality, doctored to represent the genuine article, was created at enhanced prices to meet a large and genuine demand at reasonable rates on the London market. Deterioration in quality and an advance of 50 per cent. in price have practically killed the trade. Lamb-skin clothing.

Goats' wool fell 50 per cent. in price, owing to the failure of the principal house engaged in the trade; but there is every prospect of a revival on even a firmer basis than before. Goats' wool.

Furs. Squirrel-skins are in steady demand, possibly on account of an enormous rise in the price of seal-skins.

Black and white goat-skin rugs are taking the place of the rapidly disappearing buffalo robe on the American market, where they first came into request to fill a temporary hiatus in the South American supply, caused by the troubles in Chile and Peru some 4 or 5 years ago. Now they have entirely supplanted that trade and fear no competition. The future trade in sheep's wool seems to be pregnant with immense possibilities. Its production is practically inexhaustible, and the demand (in which America takes the lion's share to the extent of 95 per cent.) appears to be limitless.

Sheeps' wool.

Stagnation of native import trade. One of the chief reasons assigned for the stagnation of native import trade is the failure of 17 large native banks at Shanghai, whose business consisted of advances to local exporters of native produce. Several large cargo steamers arrived carrying material for railway construction and mining gear.

German shipping. German shipping decreased in tonnage by nearly 50 per cent., whilst Japanese increased 100 per cent. Here the importation of Indian opium is on the increase; but that of the native drug is increasing also, and is said to represent 75 per cent. of the whole.

Opium.

Railways. In October last the extension of the railway from Ku-yeh to Luan-chou, 20 miles in length, was completed and opened to traffic—this being the first section of the Imperial Railway intended to be built through Manchuria to Moukden and Kirin, a total length of about 550 miles from Ku-yeh.

The next section to be built will be from Shanhaikwan to Chinchou, 110 miles. Mr. Kinder, the chief engineer, has again surveyed the sections from Shanhaikwan northwards towards Kirin. For the more speedy completion of the work, several long bridges will probably be put in hand at an early date. A steel bridge 2,100 feet long is now being built over the Luan-ho at Luan-chou, and track-laying is going on north of that river towards Shanhaikwan, so that it is anticipated that this section will be ready for traffic towards the end of 1893.

The plan approved for the Manchuria Railway provides for a branch line from Newchwang to Moukden, about 110 miles.

From the experience which foreign engineers have had of railway construction in this country it is said that the Chinese are unrivalled in the skill which they display in throwing up earth-works; and it is estimated that in case of extreme urgency the whole line from Shanhaikwan to Kirin could be completed in 2 years.

Shanghai.

The Commissioner at Shanghai writes as follows:—From much of what one heard and from some of what one saw, it was to be inferred that the end of a year had never seen Shanghai, as far

as the foreign community was concerned, in a sorrier plight than it was at the end of 1892.

Decline in trade.

There have been very heavy losses to individuals, some firms have been hard pressed, and certain businesses have suffered to such an extent as to bring those engaged in them almost to want.

This is, however, entirely the result of speculations beyond China and outside the ordinary lines of China commerce; for as far as the outcome of the legitimate commerce of the port is concerned, neither the native nor the foreign business-man has any reason to speak harshly of the year. Neither is it to be anticipated that the present spirit of depression will have a serious or lasting effect on trade; though doubtless for some time it must have a chilling influence on the public, and will make people less inclined to venture large undertakings.

The profits of these days cannot be compared with those of even 20 years ago. Now people do not expect fortunes; they are content with competencies, and glad to get them. The merchant-princes with their magnificent hongs exist only as fossils; they have been driven to extinction by the demands of an entirely changed style of trading, and the commission agent of a former generation now serves as the sole foreign connection between western manufactures and eastern consumers.

Value of trade.

The value of the year's trade is somewhat smaller than that of 1891; but there is nothing to indicate other than ordinary fluctuations, due to no special influences, and having no extraordinary significance.

Opium shows the heaviest decrease in imports. American imports have fallen nearly 30 per cent. below 1891; partly owing to large stocks of piece-goods being in hand, a good home market in the spring, and a 45 per cent. rise in the price of raw cotton in the United States last autumn. The tea trade has not improved; but the export of silk has been up to the mark, and the export of "sundries" has largely developed, *e.g.*, skins, furs, mats, and rugs. Over 70,000 dog skins were exported, and the supply is equal to an increased demand.

Tonnage of steamers.

The average tonnage of each steamer entering the port shows an annual increase; having gradually risen from 760 tons to 1,022 tons in the past 10 years.

Austrian mail service.

An Austrian mail-service from Europe viâ Bombay was inaugurated in March.

Freights.

Freights have been low, especially for kerosene from America, which can now be imported at a cost of 50 per cent. less than in 1891.

Export of gold.

The Yangtze passenger traffic is continually increasing. There has been a large export of gold in expectation that the present low value of silver will not be permanent.

Opium.

Very many opium smokers have discarded the dear Indian opium for the native drug, to which they have accustomed themselves. At the moment there is in the port the largest stock of Indian opium on record, and its sale is rendered very difficult on account of its high price.

Morphia.

During the year some 15,000 ounces of morphia were imported, and it is no longer regarded as simply a "foreign medicine."

Shanghai Cotton Cloth Company.

The immense increase in the output of the Shanghai Cotton Cloth Company is worthy of note, but the concern is not yet on a dividend paying basis.

Wrecks.

Two serious wrecks occurred during 1890, viz., those of the German steamship "Peking" and the British steamship "Feima." Both were the result of collisions.

Woosung Bar.

The Woosung Bar has been exceedingly troublesome this winter, the water not having been so shallow on it for several years, and the ordinary channel being still quite unfit for the use of the heavier draught vessels.

Newchwang.

The customs report for Newchwang shows a decrease of revenue; but both ordinary and extraordinary causes contributed to this result. Natives in the interior are to a large extent dependent, in the absence of authentic channels of information, on carters and passing travellers for their news. Last winter the troubles in Mongolia and Manchuria afforded the itinerant gossips an inexhaustible supply of awe-inspiring tales. Consequently, dealers in the distant towns reduced their purchases to the lowest limits compatible with their more urgent requirements; and credit was also difficult to obtain. Hence, importers of foreign and native goods alike found that they had, on the opening of the river in the spring, large stocks unsold upon their hands.

Imports.

Most of the foreign imports come from Shanghai. Coast-trade duties show a marked decline; exports an increase; opium a decrease.

Exports.

The export of native produce direct to foreign countries has augmented by over 39 per cent.; almost all going to Japan. Trade generally appears to have decreased and languished; the items of export and import are of insignificant interest to British merchants.

Kerosene.

Russian kerosene has declined as an import, but the American brands have largely increased. The former is stated to be badly packed and so variable in quality that dealers prefer to buy cases bearing well-known American marks.

Opium.

The production of native opium is reported to be well up to the average.

Hankow.

Tea.

At Hankow, notwithstanding a large decrease in the export of tea, of which trade Hankow is the great centre, there was an increase in the total exports. The decrease in tea is due entirely to the recent famine in Russia, and it is probable that this year's season will bring the supply for that country up to its former standard. As usual, the Russian demand ruled the market until the prices had fallen within the scope of London quotations, which were unprecedentedly low, and for some crops the prices realised were ruinous to the tea men, none but the best teas fetching over 1s. per lb.

Some 4,000 tons of coal from Japan and some machinery from London for the Viceroy of the Liang Hu, represent the imports direct from foreign countries. Coal.

A great scarcity of cereals over the eastern provinces, combined with abundant crops in Hunan and Hupeh gave a strong stimulus to the export of rice, wheat, and beans. Other agricultural produce shows a marked increase; but the export of silk has greatly fallen off, owing to an overstocked market at Shanghai and high prices ruling in the producing districts. Cereals. Silk.

Three steamers arrived carrying machinery and other materials for the Viceroy's industrial works. Machinery, &c.

Ningpo.

A prosperous year is reported at Ningpo for all branches of trade, good profits having accrued both to merchants and shipping. Piece-goods, medicines, and sugar gave the best returns. A very hot and dry summer entailed bad rice crops, but other crops, especially cotton, were so good that the district could well afford the larger importations of rice. Prices of foreign goods were higher by from 5 to 10 per cent., but the increased cost did not affect the demand. No year has shown so large a total value of trade at this port since 1874, in which, and the immediately preceding years, values were greater, not on account of a larger volume of business, but from the higher prices of the principal export—tea, which was in those days worth fully double its present value.

The customs revenue for 1892 is the largest in the history of the port, showing an increase under every head except tonnage dues. There was an important import of 950 piculs of tin. Ningpo purchases nearly all its foreign goods at Shanghai. Rush-mats and fishery products are among the principal local produce exported. Customs revenue. Tin. Rush-mats and fishery products.

Early in the season an agreement was made between the Ningpo tea hongs and the Shanghai buyers of tea, by which the shipments of Pingsuey tea were to be limited to 140,000 chests for the season. It followed that the prices realised for this tea showed some advance upon 1891, and dealers made a profit. Some months after the limit fixed by the agreement had been reached, and shipments had ceased for a time, a surplus quantity of 30,000 chests was exported, with the result that prices dropped to a figure at which no profit could possibly be made. Tea.

A very noticeable feature in the export trade is the great increase in shipments of raw cotton, dealings in which were very profitable. The import of kerosene showed a decrease; almost all other imports an increase, notably the goods of the Shanghai Cotton Mill Company. An important trade in cotton yarn has sprung up very quickly. Importations of sugar have risen both in quantity and price. Raw cotton. Kerosene. Sugar.

Shipping statistics at this port are of no great importance or interest. Two companies run each one steamer on alternate days. Shipping.

Two steamers have easily carried all the freight offered. Rates of freight and passage have doubled, and in some cases have been three or four times higher than in 1891, with the effect of diverting an appreciable amount of certain kinds of cargo to sailing vessels.

The profit realised by importers and exporters is put down at from 7 per cent. to 8 per cent.

Kiukiang.

Trade at Kiukiang appears to have remained for three years past in a regular and almost stationary condition, offering no striking feature beyond the continual decrease in the export of tea. Less tea has been produced, consequently less has been exported, and loss to the revenue has been the natural result.

Wet weather at the critical time of picking and firing damaged, and in some cases spoiled the teas; hence the tea trade was bad, and many merchants suffered heavy losses.

General trade. The general trade calls for no special observation. Shipping is monopolised by the British and Chinese flags, the former of which appears to preponderate at every treaty port in this country excepting Ningpo, where the Chinese flag is carried on the majority of the vessels entering and clearing from the roadstead.

Yangtze River. The condition of the Yangtze River is much the same as it was when described in 1865 by H.M.'s Consul, and, therefore, offers no novelty upon which to remark.

Opium. Importation of opium has decreased, but for no apparent reason, as there is no competition of the native drug, which is almost unknown, and finds no market in this district.

The year was uneventful in every way: the summer season was particularly hot and unhealthy.

Chungking.

The Commissioner at Chungking states that it is difficult to give full and accurate accounts of the trade, which has only been transacted under the new regulations for a year and a half. Also it must be remarked that only a tithe of the valuable exports leaving the port are, so far, shipped by foreign-chartered junks: such as medicines, hemp and sugar, &c.

In general terms, the season of 1892 was a fully average one from an agricultural and producing point of view, and the province of Szechuan would have enjoyed another period of the prosperity for which that most-favoured region is so renowned, but for the

Cholera in Szechuan. calamitous outbreak of cholera which carried desolation into thousands of local homes, and spread westwards from its origin in Chungking with increased virulence.

Thibet sheep's wool; Indian yarn; Shanghai cotton-cloth. Thibet sheep's-wool has become an important article of export; Indian yarn and Shanghai cotton-cloth are the most rising imports.

But few accidents to shipping are reported, notwithstanding the dangers of navigation encountered amidst the rapids of the famous gorges of the Yangtze, in which the violent July freshets caused a rise in the river of exactly 50 feet within three days. Some of the junks were as much as 120, 140, and even 180 days out on the voyage from Ichang. Shipping.

No foreign opium was imported, the consumers being entirely contented with the native drug. Opium.

In miscellaneous trading profits have undoubtedly been made by the local merchants, and in no instance has the market been absolutely flat. In regard to export products, the cry has been "Short supply" rather than the reverse. Miscellaneous trading.

Chungking (2).

I add a few notes to the customs report on Chungking from that of H.M.'s Consul, which has subsequently come in. The Consul notes the great need for steam launches for conveying goods between the junks and the city, and also for towing junks on the river. There are many stretches of water where the use of steam-tugs would mean a saving of days, if not weeks, to junks windbound on the way up; the voyage occasionally occupying over 5 months, and rarely being accomplished in 1 month. The introduction of steamers is, indeed, a "sine quâ non" of any great development of trade at this port. The immunity enjoyed by the 1,200 junks plying amid the vaunted perils of the upper Yangtze, confirms the opinion that full-powered steamers of light draught might safely run between Ichang and Chungking, once a proper survey had been made of the channel.

Chungking is the great trade centre of the province of Szechuen, where all the large dealers have their head offices, and whither come almost all exports to be sorted and repacked.

There is much competition in cotton piece-goods. In the north-west Russian cloth, stout and durable, is in vogue; and in Yunnan the shops are full of French cloths, coming on pack animals from Tonkin by way of Mêngtzu, at a cheaper rate than English fabrics, which come up the Yangtze. There is a station of the Chinese Imperial Maritime Customs at Mêngtzu where considerable trade exists, which may be affected in no small degree by the opening of a trade route from Burmah. In speaking of "foreign sundries" as imports, the Consul observes that "pins seem to be unknown." This will at once strike Europeans as a very curious thing and as a forcible instance of the possibilities of trade when the interior is really open to foreign imports; but the remark applies equally to the whole of China, and it must be borne in mind that, before looking to large and profitable importations of goods, which foreigners consider as indispensable necessaries of existence, the Chinese must be brought to view them at least as a useful convenience, a thing very difficult to do with so ultra-conservative a people. Pins, walking-sticks, and many articles used by Western nations are neither required nor desired by the Chinese. Cotton piece goods.

Matches. The Japanese matches, so often spoken of in these reports, sell by retail at less than one-sixteenth of a penny per box, and local-made sulphur matches are even one-third cheaper than that very low price; but the latter are so unpopular that the officials interested in the two factories where they are made have tried to push their sale by establishing a company with the monopoly of the sale of all matches in Chungking for 25 years. It is doubtful whether the people will permit this system if, as is probable, it raises the price of imported matches; and, of course, it is open to any foreign merchant to nullify it by entering into the match business.

Opium. The annual export of Szechuen opium is estimated at 5,250,000 lbs. It is sold retail in the city at 4*s.* 7*d.* to 6*s.* 1*d.* per lb. The opium shops number 928 to a population of about 200,000 or a little over.

The Superintendent of Trade issued a proclamation in September urging the people to grow cereals in place of opium. It is still on the walls, in sight of which flourishing fields of poppies bear witness to its futility.

It is unlikely that cereals will be grown in place of opium so long as the latter crop yields a profit, which in this neighbourhood exceeds that on wheat by some 80 per cent.

The Consul gives full and interesting details concerning every branch of the export and import trade, the reproduction of which would unjustifiably exceed the limits of this paper, especially as they can be perused in the original report by those desirous of doing so.

Tiger bones. A curious item in sundries exported is tiger bones. It is not stated for what purpose they are used, but I presume it to be for the fabrication of native medicines.

Tamsui.

The Commissioner of Customs at Tamsui reports that great prosperity has prevailed in all departments of trade. Values and revenues are both at a high level, and the well-being of merchants has not been so prominent for many years past.

Tribal disturbances. In spring, disturbances were active on the savage border at Tokoham, but before the hot weather set in peace was, on one side, considered to have been restored, and official report was made to that effect. The savages do not appear, however, to have concurred in this settlement, so that traffic and production have not yet been resumed at the disturbed points. Still it is reasonable to expect that, in course of time, camphor will again come from the Tokoham country, though probably in diminished quantity. General import, export, and coal trade duties all show an increase, and the loss falls on opium alone. Most of the foreign imports come from Hong-Kong.

It is a matter of regret that a large proportion of Tamsui products is paid for in specie, and that the local demand has not stimulated to a greater degree the general import trade.

Cotton goods. Cotton goods have declined, excepting the Japanese cotton-

cloth; the import of lead for tea-packing has increased, as has also the quantity of kerosene and matches. Lead, kerosene, and matches.

In 1892 a strong effort was made to push the trade in Russian kerosene, which rose to 60 per cent. of the amount imported, whilst in 1891 American oil represented 95 per cent. The Russian oil cases, after a shorter voyage, present a cleaner appearance on arrival, and show less signs of leakage. The oil can be laid down at about ½ c. a gallon cheaper than the lowest priced American, but finds a ready sale at prices closely approximating those of the latter. Thus, while the importer profits by handling this oil, the dealer finds it no less to his advantage, since the small consumer makes little distinction between qualities. Should it be found possible to extend to this port the plan of transporting and storing oil in bulk, a great increase in consumption may be looked for. Kerosene.

Prices of camphor at Hong-Kong were steady until the end of the year, when a flurry of speculation caused a rise in the market, which was increased by the loss at sea of a cargo of 3,000 piculs from Japan. Camphor.

Steps have been taken to reduce the amount of oil and moisture which lower the value of the camphor; and it is confidently expected that the quality of Formosan camphor in 1893 will be quite equal to the Japanese. Even with the present difference, which is about 5 per cent. in favour of Japanese, the latter cannot compete with the Formosan product for the Indian market, which is estimated to require about 8,000 piculs annually.

Gold is exported from Formosa as the result of river washings. The sudden freshet accompanying the typhoon of September 6, besides drowning over 200 diggers, appears to have reduced the possibilities of results from hand workings, and the introduction of machinery is said to be under consideration. Gold.

A large quantity of foreign opium was re-exported, or rather returned as unsaleable. Opium.

Of the opium tax collected 92 per cent. was for Persian.

The export of teas has increased. During the middle of the year the leaf was found to be very much the best that has been offered for several years. Buyers purchased freely, and prices rose. All went well until the autumn, when a succession of typhoons stripped the tea shrubs, and after that time arrivals were distinctly inferior in quality and lower in value accordingly, yet shipments showed no sign of falling-off, and at the end of September the market may be said to have been swept bare, owing to the abnormally good market at Amoy. Most of the tea goes to America. Growers, packers, and shippers all made handsome profits on the year's harvest. Tea.

Export of coal declined on the closing of the Government colliery, worked by foreign machinery, after the foreign engineer in charge of the workings had been dismissed at the end of 1891.

The railway has been extended south, nearly to Hsin-chu (Teckcham on the maps), and trains now run from Taipei to Railway.

Kelung—20 miles, and about 35 miles to the south-west. The line is very popular with those who have access to it.

Kiungchow.

Buoys. The customs report from Kiungchow states that four buoys have been laid in the Hainan Straits, by which navigation is

Telegraph stations. rendered more secure. On the other hand, the telegraph stations have been withdrawn from the centre, south and west of the island, and all the gear and apparatus shipped to Canton.

Sugar. Trade has been satisfactory on the whole, sugar merchants in particular having made profits such as have not been known for years. Crops were excellent.

Value of trade. The net value of trade was 1 per cent. higher than in 1891. The revenue from opium shows a large decrease; but all other exports and imports have risen. As elsewhere the most notable imports have been Indian yarn and kerosene oil. Pigs and poultry are important exports, going to Hong-Kong, whence over 13,000,000 of fresh eggs were also sent.

Shipping. Seventeen steamers were engaged in the passenger traffic to Siam and the Straits. The majority of the shipping is British. The import of foreign opium by steamer is being entirely replaced by junk-borne opium from Singapore.

General remarks. H.M.'s Consul, in his report upon the trade of Kiungchow, mentions that the annual value of the total importation of Indian

Indian yarn. yarn into China is estimated at 5,000,000*l.* At Kiungchow there are as yet no factories, and all the yarn is made into cloth by hand in the cottages of the peasantry, where the women labour

Matches. at this work. He reports the opening of a large French match manufactory to compete with the Japanese. To give the new matches a start they were protected by the imposition of an import duty of 18 dol. per case on Japanese matches imported into Hanoi; but, at the present rate of progress, it will be long before the new article finds its way to the markets of China, although the quality is excellent.

Emigrants. The very small number of female emigrants in comparison with males points to the conclusion that emigration is not permanent, and this argument is also borne out in other ways. In July a British steamer, the "Flintshire," was chartered by the German East Africa Company to convey Chinese labourers, and brought to Bagamoyo direct from Singapore 240 Chinamen, 240 Javanese men, and 25 Javanese women. These men were to be employed in the cultivation of tobacco, cotton, coffee, cocoa, vanilla, rice, indigo, and perhaps opium, or as servants, boatmen, smiths, gardeners, washermen, and cooks.

Telephone. At Kiungchow a telephone has been set up, connecting the telegraph office at Hoihow with the Taotai's Yamen, 3 miles distant.

Canton.

The Commissioner of Customs at Canton reports that, notwithstanding the various and complex causes which have adversely affected trade and its natural development, the statistics

for 1892 show a small gain of 1 per cent. over the figures for 1891—the highest hitherto attained.

Causes of depression.

There are three striking causes which cripple trade, or seriously retard its natural growth—(1) the interruption of the transit trade, (2) the yearly increase of octroi levied on all goods in transit through the city, and (3) the numerous guilds, farms, syndicates, and such like combinations, which, though apparently useful to the native collectorate in securing a fixed annual revenue, prove a serious burden to trade. These causes will continue to operate until the junk maritime trade is placed under a régime as efficient as that which now controls the Treaty Port Customs.

The most striking features of the year's trade are the cessation of the transit trade, the large share in the transport of piece-goods and kerosene oil taken by native carriers, the diminished importation of rice and opium, and the recovery by steamers of the carriage of tea. On the whole, the trade of 1892 is said to have been remunerative, and the figures given are instructive in illustrating the extent to which the trade and prosperity of Kwangtung and the adjacent provinces are capable of being increased.

Kerosene.

Despite cheaper freights by steamer the carriage of kerosene oil has reverted to junks; consequently, what Canton has lost is not only gained by Kowloon and Lappa, but the total import of the three ports shows an aggregate increase of 2,250,000 gallons over the totals of 1891. The importation of matches and of Indian cotton yarn increased at Canton, but not at the three ports taken together. Districts in Yunnan, Kwangsi, &c., which formerly were supplied by Canton, are now finding it cheaper to obtain their supplies from Mengtsz and Pakhoi.

Value of exports.

The certified value of merchandise shipped to Hong-Kong for the United States has risen from 3,500,000 dol. in 1888 to 5,500,000 dol. in 1892, chiefly raw silk and tea.

Matting.

The matting trade at Canton is important. It shows a considerable decline. Notwithstanding reports of bad straw crops and strikes, matting was very cheap during the season; in fact, the competition of Japan has reached such proportions that dealers have been practically helpless, and American purchasers have, for the first time on record, dictated their own terms. Some people are of opinion that the Canton matting trade will not long be able to hold its own, as it is obvious that its freedom from taxation gives the Japanese product a great advantage over the Chinese, which is taxed to the extent of 50 c. per roll before shipment. Nevertheless, it would be premature to conclude that this industry is doomed; low exchange, cheap freights, and the absence of an import duty in America have placed the article within the reach of all and greatly extended its use.

British percentage of shipping.

The British flag covers 85·17 per cent. of the total tonnage of shipping, and shows a gain over previous years.

Illicit traffic in opium.

Attention is drawn to the increased illicit traffic in opium by junk from Singapore, Macao, and Hong-Kong Foreign opium has gone up in price.

Further Notes.

General remarks.

Since writing the preceding pages further material has reached me, in the shape of other reports from our Consulates and the Commissioners of Customs upon the trade of the various ports. The following further details appear worthy of note:—H.M.'s

Advance in trade at Chinkiang.

Consul at Chinkiang remarks that it is a striking fact that greater advance should be shown in the trade there than at any other port in China in 1892, a year in which the agricultural distress in the neighbourhood was officially reported to be so great that Imperial grants were bestowed for its relief. The fact is, that the people in this part of China are in a vastly more comfortable condition than those in the northern provinces, where the same amount of distress would probably not have been regarded as very severe.

Foreign enterprise has done little or nothing to foster the development of trade at Chinkiang, and the foreign merchants seem contented to stand by and see the steady absorption by the natives of the business which formerly was entirely in their hands.

But the position of this port on the Yangtze gives it many natural advantages even in comparison with Shanghai. It is accessible to ocean steamers at all seasons of the year and at all states of the tides, and has immense capabilities for the distribution of goods into the interior on account of its situation at the junction of the Grand Canal with the Yangtze River. If foreign imports were shipped direct to Chinkiang, a large increase in business ought to follow. Alluding to the anti-missionary troubles

Anti-missionary troubles of 1891.

of 1891, the Consul says that there is now more tranquillity and order than has been the case since 1889, "but so long as the Chinese authorities have no police force and cannot trust their troops to act against a mob, the security of the moment cannot be well assured."

Causes of decline in trade at Newchwang.

Our Consul at Newchwang fully and ably explains the causes of some decline of trade there, particularly in imports; and demonstrates that there is no cause for astonishment or lamentation thereupon.

Silver.

Silver, almost incredible as it may seem, was dear; but this was not in proportion to gold, but to the copper cash currency of the district.

Opium.

The proportion of opium smokers to population is reported to be certainly less than in Central and Southern China.

Sheetings and yarns.

Indian sheetings had the advantage over their English and American rivals, here as elsewhere, of not being rendered dearer by the fall in exchange during the year. The same remark applies to Indian yarn, which holds so conspicuous a place in all these reports.

Matches.

Japanese matches of bad quality monopolise the trade in this article. So many must be struck, that before a light is obtained, their cost (to the foreigner at least) becomes greater than that of the best Bryant and May's. It may be noted here that the Tonquin newspapers announce the establishment of a

match factory at that place, with the object of competing with Japan.

The large importation of silks and satins indicates a greater amount of ease and luxury than one would have imagined to exist in the wilds of Manchuria. Silks and satins.

The increase of exports is really astonishing. The annual value of the trade in beans, bean-cake, and bean-oil is not far from 1,500,000 sterling. Exports.

In shipping, freights were low and profits small. Freights.

No sanguine hopes are entertained as to the completion of the railway from Tientsin, which continues to creep towards the borders of Manchuria. The delay in its construction may last for years more; but is due solely to want of funds and not to any opposition, either popular or official. Railway from Tientsin.

A marvellous extension of trade is confidently anticipated when the railroad shall be opened between Kirin and Newchwang.

The Commissioner of Customs at Amoy considers the past year to have been, on the whole, fairly prosperous. Steady and profitable transactions in business have been the rule, and a general feeling of satisfaction has been the result. An abundant harvest was gathered, except in the case of sugar. A favourable year at Amoy.

Russian kerosene arrived from Batoum for the first time, and the experiment proved successful. The tea trade of the year was satisfactory and full of promise for the future, as Formosa teas are becoming more and more appreciated in America. Kerosene.

The customs report for Wênchow records a year of brisk trade with moderate profits and no failures of banks or mercantile firms. In autumn the weather was so dry that the canals were exhausted and irrigation became impossible; hence rice rose in price. Sea fish were very scarce, and the large fishing population could earn no more than a scanty livelihood. Yet the net value of trade never was higher, nor the collection of customs revenue so large. The exportation of tea increased and amounted to 60 per cent. of the total exports. This trade was unremunerative indeed; but no serious losses were incurred, and a better state of affairs may fairly be anticipated for next season. Brisk trade at Wênchow.

The manufacture of leather forms an important and growing industry in the city. Leather.

Cloth and woollen goods have not much chance of adoption in China, where, in winter, the people wear wadded clothing, which is as cheap as it is cumbrous. Cloth and woollen goods.

The import of metals is likely to advance, especially in the item of iron wire. Metals.

Whilst so many of the treaty ports show an increase of exports and decrease of imports, the Commissioner reports the contrary to be the case at Ichang. Goods are mostly transhipped to Chungking, the local trade being insignificant. Exports and imports.

The summer was the hottest on record, and a long drought was succeeded by floods: in July the river rose over 20 feet in 5 days, many parts of the country were under water, and the crops on low-lying lands were entirely swept away. Floods.

Tainan trade: Matches. In the customs report for Tainan it is stated that Japanese matches have taken the place of German matches, being better in quality as well as lower in price.

Camphor. The demand for camphor was considerably raised by the cholera panic in Europe. The aborigines who raided the district of Tokoham destroyed every camphor-still; but large tracts of camphor forest have been opened up south of Tokoham, which will soon improve matters. Some tribes which the Chinese are trying to conciliate by largess have made treaties with foreign firms, allowing them to build stills—the headmen of these tribes receiving a monthly stipend of 30 c. for each still. Such treaties are easily ratified—a few pigs, supplemented by some samshu, and followed by a carousal are the only essential requirements. The stills are poor and rough; but it would be most difficult to transport cumbrous foreign stills inland, or to fix machinery in the well-nigh inaccessible places on which the camphor trees usually grow. Around Chipchip vast forests of camphor trees exist, and it is to be hoped that soon the ban of internal disturbance will be removed, and that they will be opened to foreign enterprise.

The savages in Formosa appear to be as friendly towards foreigners as they are hostile to the Chinese.

Chefoo trade. At Chefoo the Commissioner notes that had it not been for the distress caused by the Yellow River floods, imports would have been in greater demand. He notes the exportation of 23,494 felt caps, and generally a most satisfactory result in exports, which show an increase of 80 per cent.

Russian trade. The direct trade with Vladivostock, formerly in the hands of a Japanese Steamship Company, is now almost entirely monopolised by the Russian flag; it consists chiefly in seaweed brought from Russian Manchuria.

Inundations. In addition to a plague of locusts and many floods, six and seven breaks occurred early in the autumn in the west side of the Grand Canal between Tientsin and Lin-ch'ing, where a large stream some miles in width flowed northwards, inundating parts of seven districts on the borders of Chihli and causing widespread misery. A large quantity of rice was imported for famine relief by the Imperial Government.

Foochow trade. The customs trade report for Foochow records a fairly profitable business year. Importers appeared satisfied and exporters fared still better. In tea the most substantial gains were those of the middlemen, who paid low prices to farmers, and obtained enhanced rates from foreign merchants. Thus the planters had no share in the profits—a circumstance much to be deplored.

Almost all the foreign import trade is carried on with Hong-Kong.

Teas. Within 6 years the export of Foochow teas has diminished 50 per cent., the entire decrease being due to Great Britain. Many tea plantations have been converted into paddy or rice fields.

The comparatively small importation of silk at a place considerable for its size and proportionate importance, and known for

the number of its wealthy residents, is only to be perhaps explained by the existence of a clandestine traffic, carried on in such an ingenious manner as to defy detection.

Swatow trade.

The Commissioner at Swatow gives an account of the failure of the sugar crop from adverse weather in the autumn, when there was a prolonged drought, followed later (when not half the crop had been gathered) by a spell of frost and cold winds which did great harm to the mature cane, depriving it of much of its sap, and robbing what sap was left of much of its saccharine. Every day, as more of the cane was cut, and later reports came in from the country, the outlook seemed to grow more and more gloomy.

Opium smuggling.

The smuggling of opium overland is very extensive and the profits are large: but the journey from Szechuan to Swatow takes about 3 months, and the danger to the porters of robbery on the road is not small.

Lappa.

Lappa is not a treaty port, and we have no consular officer there; but its trade is far more considerable than that of many of the open ports, and the report of the Commissioner of Customs is worthy of notice on that account.

Volume of trade.

He states that, since 1890, the volume of trade has receded somewhat from the high figure reached in that year, although the rice crops were sufficiently abundant to allow a reduction in the cost of this food supply from outside of fully 3,000,000 dol. which should have been available for the purchase of other commodities. The decline in commerce is probably to be attributed to the serious losses sustained by Chinese capitalists in this province, which have resulted from disastrous speculations in Hong-Kong.

Increased importation of opium from Singapore.

The annually increasing importation of opium from Singapore direct into the south-western districts, where it evades duty, is rapidly supplanting that which has to bear the customs and likin taxation.

Decline of Macao.

A still more serious influence is the removal of trade from Macao. The important marts of Chantsun and of the Tungkun district now find it more profitable to draw the bulk of their supplies of cotton yarn from Canton, than as hitherto from Macao. Chinese also aver that the cost of food products in Macao has increased fully 20 per cent. during the past 2 years. Removals have consequently been numerous, rents have fallen, the retail trade has declined, and the inhabitants find their expenses rapidly increasing, while the means of meeting them are no less rapidly declining. Macao not being a terminus of ocean-going steamers, goods passing through it to all parts, but those in its immediate neighbourhood incur the expense of one landing and one shipping more than would be necessary were the goods sent by way of Hong-Kong. So long as wages and the cost of living were considerably lower in Macao than at Hong-Kong, this additional burden could be disregarded; but as they rise it becomes a serious

handicap. For this reason, as well as to secure the advantages of the markets both in China and abroad which can be obtained at Hong-Kong, the tendency of trade is to gravitate to that port.

Exports and imports.

The general account of exports and imports much resembles those of other ports, and presents few particulars of special interest. The sole export showing an increased value of any importance is that of cocoons. There was a fall in the export of white raw silk, owing to the closing, in consequence of unprofitable business, of two out of the three filatures at Macao. The tea trade, though such as remains was not unprofitable in 1892, steadily declines annually, both in quantity and in prices realised. The shipping consists entirely of junks.

Opium.

There is no decline in the amount of opium consumed, but only in the quantity which pays duty. Extensive smuggling of prepared opium is carried on by organised bands, numbering from 30 to 40 men, fully armed with repeating rifles. This opium is prepared in Macao, conveyed across to Lappa, and carried overland to Shikki, whence it goes by boat to Canton. It is computed by competent authorities to aggregate fully 300 chests a year, irrespective of what is smuggled by junks, concealed in crates of fish or in jars of soy; and though it has not seriously affected Lappa trade, it can scarcely have failed to have materially affected the amount of import-paying duty at Canton.

The territorial officials are concerting measures to repress these armed bands, and if energetic action be taken, a considerable diminution in this illicit traffic should undoubtedly result, and a source of danger to the peace of the district be removed.

Emigration.

Previous reports have mentioned emigration from Macao to Mexico and Honolulu. In 1892 emigration was started to the Congo Free State on the west coast of Africa.

On September 28 the German steamship "Wustan" sailed for that country with 536 male labourers, the wife of one of them, and six lads who accompanied their fathers. These men were engaged for work on a railroad to be constructed from the port of Matadi eastwards. They were supplied with a passage to the Congo, and from the date of arrival there are to receive 45 fr. a month wages, with food and lodging free, during three years. At the end of that time they will be conveyed back to China, or if they desire to remain, will be granted 400 fr. in lieu of passage.

Rebellion.

In February it became known that, driven to desperation by distress, a considerable body of men, under the leadership of T'an Yün-Ch'ing and other members of the Triad Society, had established themselves in a mountainous and thickly-wooded tract of considerable extent, known as Ta-jên-shan, on the borders of the Sanning, Yanping, and Yeunchun districts, and had there raised the standard of revolt. They attracted so many recruits that they were reputed, at one time, to number some thousands; they robbed and plundered much of the vicinity, and even threatened the important city of Yeungkong.

Suppression.

Some 500 troops were despatched from Canton to co-operate with the local train-bands in attacking them by land, and gun-

vessels were sent to protect the coast and prevent the insurgents from escaping by sea. Though the latter appear to have been well supplied with foreign arms, the contest was an unequal one, and after some severe fighting, in which the Government troops had many killed and wounded, the movement had been entirely crushed before the end of March.

Corea.

Corea, though not Chinese, comes within the scope of these reports, since H.M.'s Minister at Pekin is accredited also to that country, and the Consul-General at Söul is responsible to him.

Loss of trade. The latter officer has reported that the foreign trade of Corea has fallen short to a considerable extent of that of 1890 and 1891. The declared value of the shipping trade has also declined 5 per cent. or 6 per cent., but shows an increase of 30,000 tons. The shipping is almost exclusively Corean, Japanese, and Russian.

Emigration. A large number of Chinese and Coreans go every spring to Vladivostock, where there is at present a large demand for labour on the new Siberian Railway.

River traffic. River steamers will commence running from Chemulpo to Söul this year, under Chinese management; they promise to be a successful venture as well as a great boon to travellers.

Transport. The great cost of transport, amounting to 8*d.* or 9*d.* per mile for a ton, is the chief bar to the development of the agricultural resources of the country. This could be remedied by building practicable roads—a remark which equally applies, in a great great measure, to most parts of China also. At present surplus produce finds no outlet, and this tends enormously to foster the apathy and indolence strongly characteristic of the Coreans.

Exports. In exports there is a falling-off of 200,000*l.* in value, or rather more than 30 per cent.

The commercial prosperity of Corea requires good harvests locally, and bad harvests in Japan. In 1892 the contrary was the case, and extreme drought caused much distress.

There was an increase in the export of hides; but this was unfortunately due to an epidemic of rinderpest. The fishing season was a remarkably good one, and great quantities of dried fish were sent to Japan. The manufacture of paper was an important industry, the better qualities being almost as strong as cloth. The house floors are carpeted with oiled paper, which stands the wear and tear of years. Rain-clothes, tobacco-pouches, hats, and numerous other articles are also made of paper. Gold leaves the country in considerable quantities.

Imports. The value of imports exceeds that of exports by 16 per cent. In 1892 there was a decrease of 20,000*l.* value of imported goods. American kerosene is the chief import; Russian oil is losing ground, in consequence entirely of bad packing.

British cotton piece-goods deteriorated. Recent British imports of cotton piece-goods have been found to be heavily sized, and inferior in every respect to earlier samples.

The "ad valorem" system.

The Consul-General goes on to describe the unsatisfactory working of the ad valorem duties system in Corea, and states that "99 out of 100 invoices are cooked in the most open manner, and the amounts declared fall short of the actual values by some 20 per cent. at least."

The Chinese tariff much more liberal as regards duty-free goods than the Corean, only five articles being free in the latter tariff, against 33 in the former. In Corea the most trifling articles pay a 5 per cent. customs duty, and this leads to a great amount of petty smuggling, annoyance to foreigners, and extra work for the customs officials.

No returns of the frontier trade are forthcoming.

Cause of financial depression.

One cause of the financial depression in Corea is the deplorable condition of the currency, which is steadily depreciating, and is so fluctuating in value as to cause serious embarrassment to foreign merchants. A new mint has been built, however, at Chemulpo, for the issue of standard silver coins as well as nickel and copper and brass coinage, of which specimens have already been struck. The metal comes ready prepared from Japan, and all that this costly establishment has to do is to stamp and mill the coins, which could be done at a trifling expense in Japan. On the whole, the new mint promises to cause heavy loss to the Corean Government; the new coins may be used for paying officials and the troops, to whom the Government is heavily in debt; but it is doubtful how far the people will accept willingly the new coinage. Customs dues are payable in Mexican dollars and Japanese yen, of which a comparatively large amount is in circulation, fully satisfying the requirements of the country. Already, after striking off only 60,000 dol. worth of coins, work has been stopped at the mint, and it is said that the whole of the issue is to be melted and reminted, "as objections have been raised in certain high quarters to the inscription they bear."

H.M.'s Consul-General admits that the financial condition of Corea is in a very bad state; but he does not consider reform to be impossible, since it is evident that the King is anxious to do all in his power towards developing the resources of his country.

An enlightened ruler.

Amongst the enterprises due to the personal energy of the King, and supported by his private funds, are a paper manufactory, a match factory, mulberry gardens, and silk looms, a model farm, a powder mill, an arsenal, a steamer company, foreign schools, and a hospital, the mint, an army drilled in foreign fashion, &c. Unfortunately, it appears that not one of these undertakings has been carried to a successful issue, excepting the school, which still continues to exist. The failure of all these experiments, which have cost a fortune, is attributed to the system that has been adopted, but there is no reason why under proper conditions success should not have attended almost all of them.

Corean gold.

Corea contains gold enough to be worked at a profit, if concessions and royalties are kept at a moderate figure. The actual debts of the country are trifling, and the present local taxation would yield a fair revenue if honestly managed. The agricultural

capabilities of the land are considerable, not more than half of the available ground being at present under cultivation, and the export of grain could easily be increased tenfold if roads were made for bringing it to the sea coast.

In spite of many and great drawbacks, there is a gradual and steady improvement in the aspect of affairs, which it may be hoped will continue, and possibly increase. Improvement.

Mengtsz.

Mengtsz is not an open port; but its trade has become of sufficient importance to warrant the appointment of a Commissioner of Customs, who reports thereupon as follows:—

Mengtsz imported in 1892, for distribution through the province, cotton yarn to the extent of 84 per cent. of the whole import trade in merchandise of foreign origin with the colony of Hong-Kong, a large quantity of raw cotton from the Delta of the Red River, and coffin wood from the forests south of the Chinese frontier, these two latter forming 89 per cent. of the whole import trade with Tonkin. Cantonese prepared tobacco represented 82 per cent. of the total imports from China viâ Hong-Kong. Nearly two-thirds of this large indebtedness was repaid by a large exportation of tin (mined within 50 miles of the city), which amounted to 84 per cent. of the total exports. Imports: Cotton yarn raw cotton; coffin wood; tobacco. Export: Tin.

Such, in a few words, are the salient features of the trade at Mengtsz during the third complete year of its international history. They show that the province holds an independent position as regards the manufacture of cloth; that its agricultural resources, though limited, are sufficient to furnish sustenance to its inhabitants; and that a small portion of its mineral wealth can go far to purchase the raw materials for clothing, provide the modest luxury of good tobacco, and help to secure decent burial for the dead.

The year 1892 was a prosperous one, and showed a gain of 23 per cent. in the net value of trade in comparison with 1891. 1892 a prosperous year.

The twelvemonth was not distinguished by making new records, excepting in the heavy losses inflicted on shipping and freightage, the number of wrecks being over 30, and the capital lost in cargo on the wrecked junks being very considerable. Wrecks.

As there is no system of insurance on the river, shipwreck means a dead loss to the parties involved. Navigation up the Red River appears to be more dangerous than down stream, so that the principal losses consisted of valuable cargoes of foreign imports destined for the interior. The "Pekin Gazette" recorded that, from the dire work of freshets in the Red River 16 districts in the province suffered so severely from floods that the Emperor ordered the Board of Revenue to appropriate 100,000 taels for relief of the destitute. A large consignment of machinery was imported under Government orders. Navigation of Red River. Machinery

Tea; buffalo horns; hides; and feathers.

The export of tea showed a gain of 61 per cent., and there was also an appreciable increase in the export of buffalo horns, hides, and feathers; nevertheless, the balance of trade against Mengtsz is still growing.

Transit pass system.

The transit pass is very flourishing, and covers four-fifths of the whole imports, amounting, as it does, to nearly 1,000,000 taels in value.

Three provinces, including Kweichow, now buy imports from Mengtsz, and in Yunnan alone 66 administrative cities and 26 market towns and salt-wells have dealings with the port, giving additional proofs of its generally flourishing state. Junks only come into the port, but from inland no less than 103,955 ponies and mules reported at the custom-house with cargo during 1892.

Treasure and opium.

There is no trade in treasure nor in foreign opium.

Plague.

The plague committed its usual ravages, its victims numbering from 1,000 to 2,000, according to different estimates.

New firms.

Several new Chinese firms engaged in the frontier trade have opened, and are doing good business.

Lungchow.

If new treaty ports are opened in China the ones now under review will naturally be the first on account of the importance of their already existing trade. The last that I have to mention is Lungchow, where a Commissioner of the Imperial Maritime Customs is stationed, who reports generally in the following sense:—

Trade purely local.

The character of the trade is purely local with Tonkin, and no more.

Railway.

The Phulangthuong-Langson Railway (70 miles) was announced to be completed in April; but only 20 miles of it were in running order by the end of the year, and no one is now willing to predict when the remaining 50 miles will be constructed. Until this is done the commerce of Lungchow must remain of a local and insignificant nature.

In June the country round Thatke and Caobang was unusually disturbed and infested with bandits, who caused much interruption to trade.

Business done.

The business done at Lungchow is at present of little or no interest to foreign merchants, and there is no indication of its becoming in any way of appreciable importance.

Sugar.

The sugar produced in the district is of very good quality, and finds a ready sale at Canton, in spite of its original price being doubled by the cost of freight and taxation.

Map of frontier line from P'ing-êrh-kuan to the Yunnan border completed by

The French and Chinese officers appointed to make maps of the frontier line from P'ing-êrh-kuan to the Yunnan border had completed their work in June. Square pillars are to be set up later as boundary stones, marked "Frontière sino-annamite."

The positions of Lungchow and Mengtsz are not given on all maps of China, but they, and the other places mentioned in the

reports concerning them, may be found, if required, on the map facing page 557 of the Imperial Maritime (Chinese) Customs for 1890. (London: P. S. King and Co., King-street, Westminster.) French and Chinese officers.

Hong-Kong (*Kowloon*).

Although Hong-Kong belongs to the British and not to the Chinese Empire any notice of the China trade would be necessarily incomplete without some mention of the important commerce of the adjoining port of Kowloon, where a Commissioner of the Imperial Maritime Customs is stationed.

The Commissioner's reports for 1891 and 1892 have just come in, and the following information is extracted from them:—

There are two causes which influence the customs revenue at Kowloon, without indicating, however, the real prosperity or depression in the trade of the district. Firstly, the quality of the harvests in the countries from which the neighbouring portions of the Kwantung province draw the supply of rice needed to make good their own deficiencies, namely, Siam, Cochin China, and the Yangtze Valley. Secondly, the fiscal measures adopted by the provincial authorities to increase their own revenue by evading the trammels imposed upon them by treaty provisions, with the result of driving the carriage of goods from foreign to native vessels, and vice versâ, according as the one or other channel is the more favourable. Customs revenue.

Special taxes on imports and exports are levied from time to time for the construction of forts and the provision of guns for the defence of the coast, and are discontinued as soon as these wants have been supplied.

A large decline in the importation of native salt is noted. This trade is, however, essentially an official enterprise not governed by the ordinary rules of commerce. Salt.

The greatest check to the development of the junk trade with Hong-Kong is the insecurity arising from the danger of piratical attack in the neighbouring waters. It is very doubtful if pirates exist in any numbers as a class and with no other occupation. Most of the robberies at sea are committed by the crews of junks, which peacefully pursue their avocation as ordinary traders for the greater part of the year, and only take to piratical enterprises when temptation offers, and the chances of escape seem tolerably in their favour. Junk trade.

In 1892 there were fewer complaints of piratical attacks upon junks than in previous years. The routes are, however, still far from secure, especially among the deep bays to the eastward, and trade is hampered and deflected from some of its natural channels in consequence. This evil will continue until the coast is better policed and a general disarmament of junks can be enforced, and until the existing facilities for obtaining surreptitious supplies of arms are checked. Less pirating.

The decline in the importation of foreign opium has been Opium.

heavy and general, owing to three causes, viz.: (1) the increase in the quantity brought by junks from Singapore to Hainan and the adjacent coasts; (2) the advance in price during 1892; and (3) an increase in smuggling into and in the vicinity of the Pearl River.

At the three ports of Canton, Lappa, and Kowloon the falling-off has been nearly 3,000 piculs, and at the six ports in the province—Swatow to Pakhoi—over 4,000 piculs. Junks can select their own points of debarkation along the coast, and the sums they have to pay to make good their footing on landing are certainly less than the regular duty and likin. The trade through this channel will increase to the detriment of the regular revenue until it has been brought under proper fiscal control.

The rise in price of foreign opium has attracted to the province increased quantities of the native drug; and as the latter has now established a foothold it need not cause any surprise if the import of foreign opium in the southern provinces should continue to decline, as it has been doing for some years past in the North of China.

General Remarks.

There is not much to add in the way of general remarks upon the foregoing summary of reports, which has been contracted within the narrowest limits of abstract and epitome.

Kerosene oil.

The first point which strikes the most casual peruser of the accounts of the present China trade is the prodigious development of the kerosene oil business. Its present importance and certain increase prove that all possible augmentation of supply and means of transport is certain to be remunerated with profit and success. On the whole the American oil seems most in favour up to date; but there is no reason why the Russian brand should not compete fairly with its rival.

Indian yarn.

Secondly, the immense increase of the importation of Indian yarn into China must be noted; because it is rapidly driving the Manchester article entirely out of the market. The depreciation in the value of silver must be held to be in great measure accountable for this result. The importation of cotton goods has largely decreased because the demand for foreign manufactures is being gradually replaced by importing the raw material. This is one of the prominent commercial features of the year under review all over the East, including Japan. English cotton piece-goods have to battle also with most serious competition in the shape of manufactories in the interior, and notably with the "Shanghai Cotton Cloth Company," the success of which will, in all probability, find various imitators.

Shanghai cotton cloth factory.

The Shanghai mills are turning out an ever-increasing quantity of goods, which are readily purchased, and appear daily to advance in popularity. I have myself visited the factory, and was much impressed by the skill of the Chinese

operatives in handling the machinery and working the entire business without the immediate supervision of European foremen.

It has been questioned whether foreigners have the right under treaty to establish manufactories even within the limits of the foreign concessions; and certainly they have no right to do so away from the treaty ports. But it is a marked characteristic of the Chinese nature to object in the first instance to every proposal on the part of Europeans and to refuse all requests made by them. On the other hand they accept with tacit and complete resignation anything in the shape of a "fait accompli," considering that when a thing is actually done there is no more to be said, and that it is useless to make any further opposition.

At Shanghai the cotton mills have been built, not in the foreign concession, but outside its limits, and one actually across the river. Two of them are founded exclusively on Chinese capital, and are exclusively in Chinese hands; the third—a cotton ginning factory—is partly Chinese, partly Japanese, and partly European. By the aid of the native capital and influence enlisted in the concern it has been able, so far, practically to ignore the official protests against what may have been irregular in its proceedings with regard to site, &c.; whilst enjoying the advantage of occupying ground for which the rent, if any, is very small, and evading the payment of municipal and other taxes which would be levied if the premises were within the boundaries of the concession.

Where Chinese officials are concerned in the proprietorship and management of industrial concerns, the profits are seldom considerable, excepting to themselves; but it is evident that English manufactures cannot easily compete against native goods produced under such favourable circumstances as those above described, particularly with labour so cheap as it is in this country.

The Chinese take kindly to factory work, the sameness and regularity of which agrees admirably with their natural disposition. After a short apprenticeship they are well able to dispense with the assistance of European workmen, whom they are glad to get rid of as soon as they have learned all that they require to know. This is proved daily at Tientsin and in other parts of the Empire, where skilled foreign instructors are summarily dismissed without compensation when the high officials who have engaged them think that their services are no longer indispensable. Opium.

The decline in the importation of Indian opium will please those moralists who so strongly oppose it, and so earnestly advocate the complete extinction of the trade. It may possibly, however, not be entirely satisfactory to note that the decrease in this import is supplied by the cheaper Persian and native drugs, the importation and production of which are largely increasing.

Now the Indian drug is unquestionably purer and less noxious in its effects than the inferior qualities with which it is mixed or which take its place. If smokers are compelled to resort to the

cheaper and worse kinds they will consume more in order to make up for the want of the better and stronger quality.

Opium smoking is a habit so ingrained in the Chinese that it will not be abolished by the exclusion of one particular sort, and if the wealthier and upper classes are driven to use the inferior opium it naturally follows that a corresponding deterioration of mental and physical health must ensue.

It is a known fact that the vile mixtures of sesamum seed and opium of the poorest and worst quality used by the lower classes have far more deleterious consequences than the pure Benares or Malwa opium, reserved as a luxury for the rich. The importation in one year of over 15,000 ozs. of morphia at Shanghai—not for medicinal purposes, but instead of opium—is a very significant point in this argument.

The exclusion of the best opium from the market resembles to a great degree what might happen were the importation into England of good French cognac to be prohibited on grounds of temperance and morality; whilst inferior brandies were coming in from other quarters to supply the want of the better stimulant, and the manufacture of inferior native spirits increasing in proportion to the lack of an article to which well-to-do people are accustomed.

Matches. The rapid development of the trade in matches indicates a good opening for the British manufacturer. At present the majority of the enormous population of China use flint and steel, but the use of matches is increasing daily in favour, and all that is required for a successful competition in this branch of commerce is the production of a fairly good article at a very cheap rate. The Japanese matches now holding almost exclusive possession of the market are a poor imitation of the Swedish safety match; but the boxes are flimsy, and the matches, which light only on the box, fail in five cases out of six to ignite even there, and the composition which is intended to kindle them very quickly wears out under the unsuccessful attempts at procuring combustion. Their cost is infinitesimal, as we have seen in the above reports; but if a fairly good article could be imported at a reasonably cheap price it ought to be able to drive this worthless commodity out of the market.

The difficulties to be encountered are the cost of distant transport for explosive material, and the fact that the Chinese are so accustomed to the very cheap Japanese matches that it might be difficult to convince them that a dearer and better article would come cheaper in the end. The Japanese matches cost one-third of the price of the goods which they imitate.

At Tientsin there is an Anglo-Chinese match factory, which does a good local business; but whereas the Japanese will hardly light at all, the Tientsin matches are highly explosive, and almost dangerous; the boxes are also rickety and slight, soon coming to pieces if carried about.

Tea. Everyone in any way interested in trade with China must have noticed with concern the serious decline in the commerce in

tea, and the threatened extinction of that industry, owing to competition from India and Ceylon, and excessive inland taxation. [As has been said, Her Majesty's Minister at Pekin has had the matter unofficially represented to the Ministers of the Tsungli Yâmen; but] so intense is Chinese apathy, and so unwilling are the authorities to accept foreign advice, even in their own interests, that it is doubtful whether they will take any steps to revive this ancient and important national industry, famous and remunerative as it has been up to the present day.

Pekin.

As Pekin is not open to foreign trade it can hardly be appropriately spoken of under the heading of this paper. Still, a few general observations may not be entirely out of place.

The vast plain in which the capital is situated contains a dense population, both in the numerous large towns and villages and in the country, which is remarkable for its agricultural fertility. Horses come from Mongolia, also sheep in large quantities.

For years past a railway has been projected from Tientsin to Tungchow, with an extension to Pekin. If the construction of the line is ever realised a great impetus will be given to trade; for the present mode of transport by boat and by cart is cumbrous and slow.

The large population contains many men of wealth, apart from the Court, and the rich mandarins, merchants, and eunuchs evince a readiness to purchase foreign goods, especially clocks, watches, carpets, and fancy articles. Foreign traders would obtain remunerative prices for such wares, for the rich Chinese will pay any price for "articles de luxe."

To the foreign community resident in Pekin its connection by rail with the port, and the existence of some competition in trade would prove a great boon. During the winter months all communication with the outside world is cut off, and not even the smallest parcel can be brought nearer than Shanghai until the opening of the river in March. Two small general stores monopolise the business done with foreigners, who have to pay as much as 100 per cent. over cost price for all the ordinary necessaries of life. This tells heavily when it is considered that butter, cheese, salt, flour, tinned vegetables, and provisions of all kinds are extensively used; few, excepting a small number of missionaries, being able to adapt themselves to Chinese food.

Were the capital more easy of access travellers would be attracted in large quantities, and more shops and hotels would be required for their accommodation; kerosene oil and matches would command a ready sale.

It is, however, possible enough that foreign merchants might not find it expedient to attempt trade on a large scale in Pekin, even were the city open to the enterprise. Exports go direct to Tientsin for shipment from the local centres of production, and native dealers would probably succeed in keeping the bulk of imports in their own hands and making it impossible for foreign traders to undersell them.

Messrs. Jardine and Matheson have built a house here, but the company does no business in Pekin.

There ought to be a good opening for the sale of cutlery, if English makers would adopt Chinese models, from which the natives will not depart.

Colonel Howard Vincent, M.P., who visited Pekin about two years ago, took home some specimens of the most-used articles, such as scissors, razors, knives, &c., with a view to suggesting that Sheffield manufacturers should produce them for sale in this country, but I have not hitherto heard of any practical outcome therefrom.

In compiling the above summary I have endeavoured to give a general and descriptive account of the China trade and matters connected with it, avoiding statistics, of which voluminous tables are to be found in the Consular and customs reports and in the returns of the Board of Trade.

The general conclusion as to the entire foreign trade of China has been already given above under the head of "Customs Reports," and may be finally summarised as follows.

The year 1892 showed an increase in foreign trade, and a further development of exports and imports may be expected in the future.

The principal features of the year were: The disadvantages caused by the great depreciation of silver, which occasioned a decrease of customs revenue (except in export duties), and a falling-off in the quantity of staple goods landed and shipped.

The decline in the import of Indian opium, metals, and cotton goods. The increase in importation of woollens and sundries, Persian opium, Indian yarn, matches, coal, and sugar.

The immense and growing importance of the trade in kerosene oil.

The decrease and waning character of the tea trade, and a falling-off in the export of raw silk. The higher value, generally, of exports from China, including an increase in the shipments of gold, sheep and camels' wool, and miscellaneous articles.

Lastly, the continuous increase in the shipping employed in trade.

Notwithstanding the several drawbacks under which commerce has laboured, and the serious disadvantages which have caused a decline in certain branches of trade, it may be concluded that 1892 was, on the whole, a favourable and prosperous year for the China trade, and that prospects for the future are encouraging and satisfactory.

The discursive and somewhat unconnected order of this paper is the consequence of the disjointed and erratic manner in which the materials for it came to hand, and the short time at my disposal for compiling the report.

Wool trade. I should not omit to revert to the great and growing importance of the trade in sheeps' wool from Northern China, described above. It is evident that this commerce may well

assume huge dimensions and become one of the principal exports of Manchuria and Mongolia.

On this subject Her Majesty's Consul at Tientsin says that every year wool is collected from more and more remote regions from Mongolia, the province of Kansuh, and Northern Thibet. It is all brought to the town of Kuei Hwa Chêng, the great entrepôt for wool, where it is repacked and dispatched to Tientsin.

The difficulties of transport are great: sometimes, when camels are scarce, wool has to be left at Kuei Hwa Chêng for 6 months, waiting for the next season, when camels can be obtained.

The natives up-country exercise no care in sorting or packing the wool; dirt and sand are wilfully mixed into the strands; and, although the foreign merchants at Tientsin, who buy by weight, deduct for all the dirt thrown out by the cleaning machines, still the practice continues, and a large quantity of sand is transported in the wool from distant localities to Tientsin, at a cost of something like 15*s.* per cwt.

In sorting out the sheep's and goats' wool a small lump is occasionally found of exceedingly fine quality, which would command a high price if it could be obtained in any quantity; but the first hands who collect the wool in the remote west have not yet found it worth their while to separate the different sorts.

Some years ago half-a-dozen merino rams were sent up to Mongolia. It speaks much for the expertness of the New York customs officials that in due course they detected the improvement in the wool, and made enquiries as to whether merino wool was exported from Tientsin.

It might have been expected that the carpets made locally of sheep's and camels' wool would be more largely exported than is actually the case. The cheapest quality cost about 4*d.* per square foot.

There are no regular factories, the makers work in their own houses, and it is seldom that more than one carpet is made at once.

Left to themselves the Chinese work in the same groove, and make no attempt to improve, but under foreign supervision much better work could be turned out. With artistic designs, fast colours, and a neater finish there is little doubt that a very superior article could be produced, and with such cheap materials and labour it seems as if a profitable trade could be developed.

Railways.

In his account of the railway to Kirin the Consul at Tientsin remarks that at the outset it was announced that the railway would be a purely commercial undertaking, managed entirely in the interests of the shareholders; but from the beginning the Chinese public was shy of investing its money, and the railway company could not come into existence without official support.

The necessary capital was subscribed by a limited number of officials, and except that the shareholders derive an uncertain return from their investment the company's section is virtually a Government line. No accounts are issued showing the working

expenses or the net receipts, which may, however, be estimated to be nearly equal.

The office staff is out of all proportion to the business. At the head office in Tientsin there are over 100 clerks, most of them forced on the directors by importunate friends, and the stream of appointments keep pace with the development of the line.

It is not likely that the financial success of Chinese lines will ever prove a stimulus to railway extension.

It is evident that the Government intend to retain control of all lines, whether they are built with public or private money.

Portland cement.

At Tientsin there is an important manufactory of Portland cement, with an output of 300 tons per week, all of which is used at the various works of the Imperial Government, viz., harbours, forts, Yellow River embankment, railways, arsenals, &c. There are also naval, military, and engineering schools, as well as a private school, where some 50 boys are taught English. So great is the demand for those youths that they are tempted away from the school before they have completed the course, to be employed in merchants' offices and on the railway, and they command wages which a clerk, whose knowledge was confined to Chinese, could not aspire to.

Cotton mill at Ningpo.

H.M.'s Consul at Ningpo reports that the use of foreign machinery, worked by hand, for the cleaning of cotton, is becoming general, and that last year some 300*l.* worth of Japanese made hand machines, costing from 2*l.* 3*s.* to 3*l.* 5*s.* each, were sent into the interior from Ningpo. A steam cotton-ginning mill has been established for 3 or 4 years on the bank of the river, and has worked with constant and increasing success. The works have recently been enlarged and new machinery added; the daily output is 400 piculs; there are 76 machines, each costing about 10*l.* The work is carried on day and night: by day by three Japanese machinists, 76 men, and from 120 to 150 women and children; by night, three Japanese machinists and 110 men. The Japanese receive each 20 dol. per month, the men 20 c. per diem, and women and children 10 c. per diem. The profits average 10,000 dol. to 15,000 dol. per annum.

Banking.

The real currency of China is silver. At the southern ports the Mexican dollar is in use; but not at Shanghai or in other parts, where taels (otherwise known as sycee) are the currency in vogue. These consists of shoe-shaped lumps of silver of various purity and corresponding value. Those used in Pekin are cast or moulded in private melting-houses, and are stamped by the bankers who issue them. In China there is no Government supervision of banking. For all small transactions the token copper cash currency, issued by the Government, is in universal use. During the Taiping Rebellion the supply of copper from the mines was cut off, and Pekin was deprived of the means of issuing cash. A serious crisis occurred, and paper money of nominal value was at a discount, whilst copper coin rose to a premium, and was scarcely to be obtained. The Imperial Government of the day struck a large quantity of iron cash, which they

attempted to force upon the people. The latter forcibly resisted, and there was almost a revolution in the capital. The spurious iron cash was flung indignantly and broadcast into the mud or dust, which lies a foot deep in all parts of the city, and it is picked up, almost in handfuls, to this day by children, who use it as a plaything.

The Chinese carry strings of copper cash for their daily expenditure (5 cash = 1 c., so that 500 cash = 1 dol = about 2*s.* 10*d.*).

The silver sycee is made to value 10 taels in the north and 50 taels at Shanghai and in the south (1 tael = about 3*s.* 8*d.* at present). It can be cut up into smaller values, and is weighed, and sometimes assayed, in business transactions; as is also the Mexican dollar in places where it is not usual currency.

Paper notes are also extensively used, varying in value from 1 tias (10 c.) up to 1,000 taels. Bank notes are also subject to no Government supervision whatever, and are issued by private banks of any and every kind, the only security being the individual credit, private or public, enjoyed by the issuer. Men have been known to start a bank, and even to issue bank notes, with a capital of not much over 10*l.* sterling.

In Pekin there are four great Chinese banks, known as "the 4 Hêngs." They act more or less in co-operation, and rule the money market to no small extent. They have existed and flourished for over 100 years, and so good is their credit that they enjoy a practically unlimited power of note issue, which gives them immense advantages in holding specie until the market is favourable.

Notes issued and accepted are stamped with the "chop" or seal of every bank through which they pass, the "chop" being an acceptance of responsibility for the value indicated on the bank note. Thus, forgeries or repudiations can be quickly and easily traced to their origin.

The Bourse or Stock Exchange at Pekin is conducted in a charmingly primitive and original manner. Shortly after dawn a number of the principal financiers, or their representatives, meet in the Chinese city, and fix the rate of exchange and current values for the day by mutual consultation, bidding, and deliberation. A flock of carrier pigeons is then liberated to carry the quotations to the principal banks throughout the capital before they open their doors for business.

The native bankers, however, have not been slow to discover that foreign financiers were ahead of themselves—by means of the telegraph—in knowledge of the rates of exchange, and quickly availed themselves of the same method of communication.

The rate of interest on loans is from 8 per cent. to 15 per cent., according to the security given; in cases such as loans to members of the Imperial household, as much as 20 per cent. would be charged.

A large amount of gold comes to Pekin as dust from the washings on the Chinese side of the Amoor River, and partly

smuggled across the Russian frontier. It is melted down in Pekin in the shape of small bars of 10 taels weight, about the size of a sponge-cake finger biscuit, and has nominally a percentage of 98½ pure gold.

The recent severe fluctuations in exchange have produced much gambling in gold here, and doubtless elsewhere in China. Foreign bankers buy gold bars to remit home in lieu of bills of exchange. By this system of "legitimate banking" every transaction is covered at once. Native bankers cannot do this, so that they hold the gold till its value is favourable to them, trusting to luck that the exchange may not go against them before they are forced to part with their bullion. The native banker has this advantage over his foreign competitor, that the latter must purchase gold at its present real value, whilst the former issues paper to the full amount of his credit, and retains the gold until it is at a premium.

In Pekin there must be a huge amount of hoarded gold, for the officials who, in many cases, make very large fortunes out of their places, buy gold bars and secrete them, fearing to put their money into banks because their superiors would discover its existence and confiscate the whole of it. Consequently, the officials are ready to pay a considerable premium for gold bars, and the Pekin market for gold always ranges from 1 per cent. to 2 per cent. higher than that of Shanghai. When silver is very cheap, and gold correspondingly dear, the possessors of these hoards of gold realise a part of their property and buy in again on the recurrence of a low market.

In Pekin there are hardly any large general wholesale firms; almost all the business is confined to shops.

Corean fisheries.

The principal wealth of Corea is in its fisheries, of which there is an interesting account in the Trade Report of the Commissioner of Customs at Fusan. In 1892 the fisheries yielded enormously rich returns to both Japanese and Coreans. Extraordinary large numbers of cod and herring were netted daily during the season; and in December the shoals of sardine caught on the east coast were phenomenal—so excessive, indeed, that level ground, desirable for drying the fish, previous to exportation as manure to Japan, was insufficient. In the vicinity of Neshan, 45 miles north-east of Fusan, even the hills were strewn with the fish, the smell emanating therefrom being powerfully malodorous.

The nets used are of very inferior make, otherwise many more fish could be caught. Several Japanese schooners were chartered by natives to convey the manure to Japan, the native boats being too few and too small for the abundant freight, and too unseaworthy to risk encounters with the sudden storms so common on this coast during the winter months.

Value of foreign trade in China. Conclusion.

The value of the foreign trade in China is estimated at 237,684,000 taels (51,745,787*l.* 10*s.*) for the year 1892.

Although some branches of commerce are languishing, and some of the ports do not show prosperity in business, there seems

to prevail, on the whole, a fairly satisfactory state of things from a mercantile point of view.

The proverbial "Pagoda Tree" does not shed fortunes as of yore, but steady and plodding industry meets with success, and at any time the day of progress may dawn, new avenues of trade be created, new ports be opened, and channels of trade penetrate into the interior. When such a day arrives a golden era of commercial activity must also commence, and the first to reap the advantages of supplying the vast demands of this country will naturally be those who have already an established trade with China.

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CHINA.

REPORT FOR THE YEAR 1892

ON THE

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REFERENCE TO PREVIOUS REPORT, Annual Series No. 1107.

Presented to both Houses of Parliament by Command of Her Majesty,
AUGUST, 1893.

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CHINA.

CANTON.

Acting Consul-General Watters to the Earl of Rosebery.

My Lord, *Canton, June* 19, 1893.

I HAVE the honour to enclose herewith my Trade Report for this Consular District for the year 1892.

I have, &c.

(Signed) T. WATTERS.

Report on the Trade and Commerce of the Consular District of Canton for the Year 1892.

ABSTRACT of Contents.

	PAGE
General	2
Revenue	2
Imports—	
Opium	2
Cotton yarn	2
Cotton piece-goods	3
Metals	3
Kerosene	3
Matches	3
Exports—	
Tea	4
Silk	4
Matting	4
Sugar	5
Shipping	5
Imperial mint	5
British residents	5
Annex 1.—Return of shipping	6
„ 2.—Return of principal articles of export, including re-exports	6
„ 3.—Return of principal articles of import	7
„ 4.—Return of total value of exports and imports	7

General.

The trade of this district for the year 1892 was up to the average in quantity and value, and for the latter half of the year at least fairly remunerative. The total value of foreign imports at Canton, Kowloon, and Lappa was 7,264,570*l.*, and of exports to foreign countries 9,358,697. At the port of Canton the net value of the trade, foreign and native, passing the Imperial Maritime Customs was 11,587,177*l.* This sum shows an increase of of 97,904*l.* above 1891, which was an exceedingly good year. At Kowloon also there was an advance, but at Lappa there was a continued falling-off. The value of the trade of the three places, as taken notice of by the Imperial Maritime Customs, amounted to 22,845,180*l.*

Revenue.

The revenue of all kinds collected by the Imperial Customs at Canton, Kowloon, and Lappa last year amounted to 804,802*l.* At each of the three places there was a falling-off as compared with 1891. At Canton there was a marked increase in the import, export, and coast trade duties, opium not being included, but there was a very serious falling-off in tonnage and transit dues, and in the revenue from opium. At Kowloon the decrease was in opium and kerosene, and at Lappa in opium and yarn.

Imports.

Opium.

The total amount of foreign opium imported from Hong Kong into Canton, Kowloon, and Lappa last year was 1,757,200 lbs. This shows a large and important falling-off to the extent of 391,150 lbs. from the importation of 1891. At Canton the decrease was very marked, amounting to 262,403 lbs.

As there is no diminution but rather an increase in the use of opium by the people of this district, there must be some reason for the diminished amount passing the Imperial Maritime Customs. Several reasons are given to account for it. One is that large quantities of foreign opium are now smuggled in junks and by passengers in steamers from Singapore. Another reason alleged is the short exportation from Bengal last year and a consequent rise in price in Hong Kong. At this last place there was a decrease of 1,555 chests in the importation for 1892, compared with that of 1891, and a decrease of 53,772 chests in the exportation. Another explanation of the diminished return of foreign opium is found in the largely increased use of the native drug.

Last year Ssuchuan opium was reported for the first time at the Imperial Maritime Customs here. The amount was only 6,782 lbs., but it is well known that a large quantity of native opium is carried by land without any payment of tax or duty. It is only when the foreign opium is dear, however, that the native opium is consumed in this district in a large quantity.

Cotton yarn.

The importation of English cotton yarn continues to diminish rapidly. At Canton Indian yarn, however, showed a total importation of 20,952,267 lbs., being 4,422,400 lbs. above 1891.

During the former half of 1892 there were 2,956,400 lbs. sent into the interior under transit pass. These consignments of yarn were chiefly to various places in the provinces of Kuang-si, Yünnan, and Kueichow. At Kowloon and at Lappa there was a large and significant falling-off in the importation of yarn, and the aggregate importation for the three ports is less than that of 1891 by 2,898,533 lbs.

The decrease in the amount of yarn passing the three offices of the Imperial Maritime Customs in this district is not to be taken as necessarily indicating a decrease in the demand for and supply of yarn in the interior. The heavy taxation of this province is driving foreign merchandise for inland markets to other ports. Last year, on a bale of Indian yarn worth about 9*l.* 12*s.* (70 dol.), taxes to the amount of 2*l.* 15*s.* (20 dol.) were levied between Canton and Kuei-lin in Kuang-si. The taxation increases further inland until it becomes practically prohibitive. On the other hand, the enlightened policy of the French Government by offering inducements for Chinese merchants to send their wares through Tonkin has developed a great transit trade with China. In 1892 the value of this trade with Yunnan rose from 199,600*l.* in 1891 to 320,000*l.* At Mengtzu about 85 per cent. of the import trade is with Hong-Kong, and is one of the largest imports.

It may be interesting to note that the amount of yarn exported from Bombay for China was 20,753 bales above the shipments of 1891.

Cotton piece-goods.

The importation of cotton piece-goods at Kowloon and Lappa show a considerable increase, but at Canton a decrease. The total imports were above those of 1891, and the improvement was chiefly in grey and white shirtings.

It seems that Indian cotton piece-goods are again coming into use in this country. The shipments from Bombay for Hong-Kong were 2,852 bales above those of 1891.

Metals.

There is little in the trade in foreign metals last year which requires special notice. At Canton there was a marked and important decrease in the importation of nail-rod and bar iron, tin, lead, and yellow metal. At Kowloon lead shows a very large increase, and in nail-rod, old iron, and yellow metal also there was an improved importation.

Kerosene.

At Canton the importation of kerosene in 1892 was also less than that in 1891 by 1,333,000 gallons. At Kowloon and Lappa, however, the importations show a very large increase, so the aggregate for the three ports was 2,258,006 gallons above that of 1891. It will be remembered that kerosene was one of the chief foreign commodities for which transit passes were used in 1891 and the early part of last year. In 1892 there were sent into the interior, chiefly to Kuang-si, under transit pass, 61,970 gallons, of which 2,000 gallons were Russian and the rest American. The importation of Russian kerosene in 1892 at Kowloon and Lappa was beyond that of 1891 by the large amount of 853,567 gallons.

Matches.

While the transit pass system was in force it was largely used

for the transmission of foreign, chiefly Japanese, matches into the interior. In 1891 of 442,847 gross imported into Canton 83,750 gross were sent under transit passes to inland markets, and in 1892 there were only 12,000 gross so sent, all to the province of Kuang-si. Yet the importation of these matches in the latter year shows a decided advance as compared with 1891. At each of the three ports there was a marked increase, Canton showing a total of 55,404 gross above that of the previous year. The aggregate increase of the three ports was 276,427 gross.

Exports.

Tea. The aggregate quantity of tea exported last year from Canton, Kowloon, and Lappa was 15,716,000 lbs. This is a decrease of 2,250,000 lbs., as compared with the export in 1891, which was below that of previous years. In the customs returns the quantity of tea exported from Canton appears much greater than that of 1891, but this is explained by the circumstance that in 1891 the bulk of the tea from this port was shipped in junks; last year it reverted to the steamers. A resident tea merchant states that the trade in this article last year was unsatisfactory, as a whole, to all engaged in it, both foreigners and natives. Canton district Congous were bought cheap, he adds, but there was no demand for the first crop in London. Later crops were bought still cheaper, and sold for prices which were fairly satisfactory. The scented teas of this district will, it is feared, disappear before long from the London market, or at most will appear there in unimportant quantity.

Notwithstanding the quickly diminishing export of tea, the Chinese officials continue to levy the same amount of tax and duty as before. In addition to the tariff export duty of about 12*s.* on 133⅓ lbs., there are lekin and other taxes to the amount of about 2*s.* 6*d.*

Silk. The year 1892 was a fairly good one for all engaged in the silk business in this district. The customs returns do not show any important variations in the items coming under this heading. But the value of the goods was much above that of the previous year.

From a British silk merchant I learn that the year opened with a quiet market, a good second class filature of $\frac{10}{12}$ deniers realising 515 dol. per picul, or about 70*l.* per 133⅓ lbs. About July a strong demand set in, and in October the price had risen to 660 dol., or about 89*l.*

One feature of the year has been the increasing production of filature silk, and the proportionate diminution of Tsat-lees, which, as regards European markets, appear to be doomed to extinction.

The certified value of the raw silk exported to the United States last year was 447,257*l.*, and that of silk piece-goods 27,060*l.*

Matting. The total export of matting last year from Canton and Kowloon was 222,797 rolls. This is a decrease of 13,199 rolls, as compared with 1891. At Kowloon there was an actual increase of

40,227 rolls, but at Canton there was a decrease of 53,426 rolls. This matting is mainly exported to the United States, and the certified value of the matting shipped at Canton for the United States last year was 1,093,986 dol., against 1,340,110 dol. in 1891. Several causes are supposed to have caused this diminished export, but the chief cause was probably the increased competition of Japanese matting.

Sugar.

At Canton, Kowloon, and Lappa the customs returns show an important and continued decrease in the exportation of brown and white sugar. In 1892 the aggregate export of sugar from the three ports was 79,152 cwts. less than that of 1891.

Shipping.

The total number of vessels entered and cleared at the Imperial Maritime Customs at Canton last year was 3,491 vessels, of 3,428,713 tons. These figures show a decrease of 297 vessels, of 172,649 tons, compared with 1891.

The falling-off is partly due to the withdrawal of the two Chinese river steamers which had been running on this river. In shipping under British flag there was an increase of 119 vessels entered above the total of 1891. Of the total tonnage of the port 85·17 per cent. was under the British flag.

The Imperial Mint.

The Imperial Mint at Canton has continued to enlarge its production. Last year the output reached the value of 3,500,000 dol. Chiefly the subsidiary coins. During the same period copper "cash" to the amount of 146,000,000 was issued. The subsidiary coins are rapidly gaining way throughout the Chinese Empire, becoming popular with all classes of the people. Extremely clever imitations of the 10 c. and 20 c. pieces have been made here, and circulated at Canton and in Hong-Kong.

British Subjects.

The number of British subjects of both sexes of all classes within this Consular district last year was 128. Of mercantile firms under British protection there were 23 all told.

Annex 1.—Return of all Shipping at the Port of Canton during the Year 1892.

Entered.

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	1,366	1,382,876	1	310	1,367	1,383,186
Chinese	256	134,808	...	...	256	134,808
German	114	101,045	1	348	115	101,393
Others	4	2,579	1	436	5	3,015
Total	1,740	1,621,308	3	1,094	1,743	1,622,402
,, for the year preceding ...	1,888	1,707,038	12	4,450	1,900	1,711,488

Cleared.

Nationality.	Steam.		Sailing.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	1,368	1,383,515	1	310	1,369	1,383,825
Chinese	259	138,078	...	...	259	138,078
German	114	101,045	1	348	115	101,393
Others	4	2,579	1	436	5	3,015
Total	1,745	1,625,217	3	1,094	1,748	1,626,311
,, for the year preceding ...	1,875	1,704,724	13	5,150	1,888	1,709,874

Annex 2.—Return of Principal Articles of Export, including Re-exports, from Canton during the Years 1892–91.

Articles.		1892.*		1891.*	
		Quantity.	Value.	Quantity.	Value.
			£ s.		£ s.
Buttons, brass...	Lbs. ...	611,232	37,752 15	598,004	36,804 5
Clothing, silk	,, ...	35,097	39,759 10	29,327	32,992 10
Fire-crackers and fireworks...	,, ...	5,291,782	90,187 10	4,864,352	84,269 0
Glass bangles	,, ...	2,148,258	70,240 15	2,207,279	76,199 5
Matting...	Rolls ...	155,399	139,859 5	208,825	187,942 15
Medicines	Lbs. ..	3,062,133	39,167 15	3,162,700	38,462 5
Paper	,, ...	2,435,644	47,549 0	1,865,721	42,827 5
Preserves	,, ...	1,957,078	37,555 0	2,787,411	48,900 10
Silk—					
Raw, white, and thrown ...	,, ...	2,785,370	1,749,803 5	2,655,965	1,654,344 0
Refuse	,, ...	1,774,552	231,673 0	2,160,687	283,189 0
Piece-goods	,, ...	883 160	735,200 15	832,859	698,509 5
Sugar, brown	,, ...	8,649,258	50,258 5	16,932,973	100,939 15
Tea, black	,, ...	8,680,834	354,233 10	3,421,809	120,569 5
Tobacco, prepared	,, ...	2,213,662	62,246 15	2,111,187	58,562 5
All other exports	,, ...	...	1,111,674 0	...	1,159,411 0
Total	...	...	4,797,161 5	...	4,623,862 5

* 5*s.* = 1 Haikwan tael.

Annex 3.—RETURN of Principal Articles of Import into Canton during the Years 1892–91.

Articles.		1892.*		1891.*	
		Quantity.	Value.	Quantity.	Value.
			£ s.		£ s.
Foreign produce—					
Opium	Lbs. ...	1,442,613	1,263,757 10	1,705,016	1,392,424 5
Shirtings	Pieces ...	83,957	50,832 5	171,318	101,220 0
Cotton yarn	Lbs. ...	21,205,900	697,052 5	16,804,618	575,288 5
Lead, in pigs	,, ...	524,552	4,229 5	3,646,999	29,415 10
Awabi	,, ...	613,162	13,566 15	418,360	14,537 5
Cotton, raw, Indian	,, ...	5,886,544	118,408 0	6 213,653	132,391 5
Cuttlefish	,, ...	5,247,100	104,097 5	6,096,065	124,030 15
Dyes, aniline	...	...	25,104 10	...	24,559 0
Flour, wheat	Lbs. ...	13,945,477	80,106 10	15,743,428	80,675 10
Horns, rhinoceros	,, ...	5,890	28,360 5	6,176	26,999 0
Jade stone	,, ...	513,640	25 191 10	496,827	22,913 15
Matches, wooden, Japanese	Gross ...	497,803	26,583 10	442,042	23,315 5
Mushrooms	Lbs. ...	407,854	24,144 5	513,900	29,601 5
Mussels, dried	,, ...	1,267,321	15,344 15	759,247	9,060 5
Prawns and shrimps, dried	,, ...	1,241,520	31,265 15	1,231,228	31,075 5
Sugar, white	,, ...	9,201,345	83,959 0	1,901,055	16,416 5
Woollen goods (camlets) ...	Pieces ...	3,959	9,757 10	...	...
Other woollen goods... ...	...	...	7,409 15	...	
All other foreign produce ...	...	...	494,423 15	...	473,151 5
Native produce—					
Beans	Lbs. ...	168,263,893	495,804 10	201,042,143	644,665 10
Cloth, native and nankeens	,, ...	928,532	78,345 0	820,840	69,464 5
Cotton, raw	,, ...	644,873	19,380 5	917,078	28,800 10
Oil, bean, and ground-nut ...	,, ...	16 215,290	213,849 0	11,692,197	157,141 0
Rice	,, ...	530,352,558	1,505,806 0	578,404,500	1,635,980 15
Silk—					
Raw, white, and thrown...	,, ...	88,565	58,233 15	59,647	39,419 10
,, yellow (Szechuen) ...	,, ...	56,293	30,410 15	17,571	9,495 10
Piece-goods...	,, ...	219,846	250,570 10	208,787	237,925 10
Tobacco, leaf	,, ...	848,925	12,734 0	600,681	8,787 10
,, prepared	,, ...	884,953	40,643 15	886,613	40 535 0
Vermicelli and macaroni ...	,, ...	2,241,784	24,346 0	2,337,147	25,430 5
Wheat	,, ...	41,755,482	125,266 5	42,183,167	127,356 10
All other native produce ...	...	...	907,496 15	...	821,996 10
Total	...	...	6,866,480 15	...	6,954,072 5

* 5*s.* = 1 Haikwan tael.

Annex 4.—TABLE showing the Total Value of all Articles Exported from and Imported into Canton, to and from Foreign Countries during the Years 1892–91.

Country.	Exports (Re-exports included).		Imports.	
	1892.*	1891.*	1892.	1891.
	£	£	£	£
Great Britain	..	11,109	..	..
Hong-Kong (for and from foreign countries)	4,152,196	3,922,423	3,309,995	3,377,889
Cochin China, Tonkin, and Annam	..	..	..	..
India	..	148	..	..
Total	4,152,196	3,933,680	3,309,995	3,377,889

* 5*s.* = 1 Haikwan tael.

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1893.

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No. 1287.

DIPLOMATIC AND CONSULAR REPORTS ON TRADE AND FINANCE.

CHINA.

SUPPLEMENTARY NOTES FOR THE YEAR 1892

ON THE

FOREIGN TRADE OF CHINA.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 1280.

Presented to both Houses of Parliament by Command of Her Majesty,
SEPTEMBER, 1893.

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1206.	Suakin	1½d.	1267.	Bangkok	1½d.
1207.	Caracas	1d.	1268.	Meshed	1½d.
1208.	Somali Coast	1d.	1269.	Cadiz	2d.
1209.	Nantes	1d.	1270.	Cherbourg	1d.
1210.	Tahiti	2d.	1271.	Erzeroum	½d.
1211.	Ichang	3½d.	1272.	Christiania	5d.
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1215.	Old Calabar	½d.	1276.	Alexandria	1½d.
1216.	Foochow	1d.	1277.	Tokio	2½d.
1217.	Wuhu	1d.	1278.	Bilbao	3½d.
1218.	Vera Cruz	1½d.	1279.	Beyrout	6d.
1219.	San José	1d.	1280.	Pekin	2½d.
1220.	Antwerp	1d.	1281.	Salvador	1d.
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No. 1287.

Reference to previous Report, Annual Series No. 1280.

CHINA.

PEKIN.

Mr. O'Conor to the Earl of Rosebery.

My Lord, *Pekin, June* 23, 1893.

I HAVE the honour to enclose herewith a Memorandum which has been drawn up by Mr. Beauclerk on Foreign Trade in China during the year 1892.

I have, &c.
(Signed) N. B. O'CONOR.

Memorandum on Foreign Trade in China for the Year 1892.

Since the date of my report on the foreign trade of China in 1892, which was forwarded to H.M.'s Secretary of State for Foreign Affairs on May 12 of this year, I have received the following notes from the principal of one of the most prominent British firms at Shanghai:—

Foreign trade.

"As to foreign trade generally over China during the past year, bonâ fide trades, such as I am acquainted with, have, on the whole, been good, when conducted on a careful basis.

Effects of exchange.

"The fluctuations of exchange have been a very detrimental factor where any risks of the usual previously accepted character have been taken; but careful observers have avoided such risks, and though it may have in some instances lessened the volume of trade, it has placed business done on a safe basis, and the result has, on the whole, been satisfactory.

"In Shanghai Chinese merchants and traders generally have had a prosperous year. Silk has made money for the grower, the Chinese intermediary, and the foreign exporter.

"Tea has not been so profitable for the Chinese middleman. Money was made by him at Hankow on what he sold there; but the Russian demand was limited, and a later demand expected through London never came. The consequence was that some good teas brought from Hankow to Shanghai were sold at a reduction of 30 per cent. to 50 per cent. of prices obtainable at Hankow early in the season, and upon these teamen suffered heavy losses. The foreign exporter of tea bore in mind the heavy

losses of previous years, and displayed much caution in purchases, which has borne good fruit. A shrinkage in the export of tea from India and Ceylon owing to drought helped him, as it imparted strength to the London market, and, on the whole, the tea exporter to London has had the best season on record for some years. Teas to America have practically done fairly well, and exporters to that market are satisfied with their operations.

Imports. "In imports kerosene has been very active, and I may say the same of metals. The import of cottons from both England and America is upon a restricted scale, but, upon the whole, business in them has not been unsatisfactory. It is in this trade that the fluctuations of exchange tell most severely. Indeed, the uncertainty of silver as a precious metal hangs over China trade as a restrictive and depressing element.

Opium. "Of opium I can say nothing, not having imported a chest for many years.

Coasting trade. "The carrying trade along the coast has been disappointing, owing a good deal to excessive competition and low rates of freight in consequence, while the supply of tonnage has been very ample.

Cotton yarn. "I do not think it is necessary to say anything special as to the development of the import of cotton yarn from India into China; it is one of the conspicuous facts in connection with recent trade developments.

"I may add what a leading and intelligent Chinaman told me one day in discussing the results of business for Chinese here during the past year:—'All Chinese merchants,' said he, 'have made money. Shopkeepers or storekeepers have not done so well, nor have the haunts of pleasure been so extensively patronised as in previous years. Chinese traders have made money, and kept it as a rule, profiting by previous experience and determined to keep what they have got.' Not a bad character for the Chinese merchant in Shanghai. In some other parts of the Empire the tale, I fear, would not be so favourable.

"As to the possible future opening of Pekin to trade, I do not imagine that there would be much trade to be done by foreigners there. The exports are practically nil, for there are no particular manufactures, unless of enamel and carpet rugs, and such like things. The trade in them does not interest us, though it is possible they might sell in Europe and America. I imagine that the business could be cultivated, and has possibly been tried from Tientsin through Chinese intermediaries, with occasional visits of foreigners to the capital.

Foreign goods. "The imports of foreign manufactured goods into Pekin can well be carried on through the medium of Chinese merchants, though some classes of goods could best be managed by foreigners, *e.g.*, provisions and miscellaneous articles generally.

"For such things the opening of Pekin as a recognised place for foreign trade would be a benefit, but for broader commercial purposes no good reasons occur to me."

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CHINA.

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1280.	Pekin	2½d.
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1282.	Malaga	4d.
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1308.	Oporto	1½d.
1309.	Naples	½d.
1310.	Salonica	2½d.
1311.	Valparaiso	2d.
1312.	Mozambique	1d.
1313.	Odessa	1½d.
1314.	Honduras	2½d.
1315.	Batoum	4d.
1316.	Quilimane	1d.
1317.	Copenhagen	1d.
1318.	Lima	1d.
1319.	New York	1d.
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1321.	Rio de Janeiro	3d.
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No. 1324.

Reference to previous Report, Annual Series No. 1013.

CHINA.

KIUKIANG.

Consul Brown to the Earl of Rosebery.

My Lord, *Kiukiang, October* 30, 1893.

I HAVE the honour to enclose my Report on the Trade of this District for the Year 1892 and to forward by parcel post the samples of brick and tablet tea therein referred to.

The long delay, which I very much regret, has been caused by an infirmity of the eyes from which I have been suffering for some time past, and an unusual pressure of local work combined with a total absence of clerical assistance.

I have, &c.

(Signed) GEORGE BROWN.

Report on the Trade of Kiukiang for the Year 1892.

ABSTRACT of Contents.

	PAGE
General summary	1
Imports	2–3
Exports	4
Shipping	4
Tables	5–6

General Summary.

The total trade of the port for 1892 amounted to 2,520,342*l.* as against 3,376,936*l.* for 1891, being a decrease of 856,594*l.* Imports amounted to 1,197,027*l.* and exports to 1,323,315. The Haikwan tael has been taken as equivalent to 4*s.* 3*d.* instead of 4*s.* 10½*d.*, which in itself lowers the sterling total by nearly 13 per cent. The balance of the deficiency may be put

to the debit of the tea export, which, owing to a bad season and consequent short and inferior crop, showed a lamentable falling-off.

The unprecedented prosperity of 1891, arising as it did chiefly from a good harvest of all native produce which was dependent on the happy accident of favourable weather, by no means justified the optimistic view taken by some as to the prospects of the port; so the smaller trade of 1892 ought not to cause any apprehension that its commercial prosperity has suffered a permanent check. The trade of Kiukiang is generally steady. It neither advances nor recedes by leaps and bounds. Given a spring not too wet, a summer not too dry, and a fine autumn, the exports, which are almost entirely country produce, will show up well both in quantity and value. Then the imports will increase also, because the people have more money to spend. Unfavourable seasons, in like manner, produce a temporary depression, but on the whole—slowly it may be—the trade progresses in volume.

The fluctuation in the value of the trade as quoted in sterling is no index of its real condition. As pointed out by my predecessor, silver affords a far juster standard of comparison than gold, because although the former is at present only a commodity in China and not a currency, yet it has by custom and convenience become the medium for barter between the people of this country and the rest of the world.

Currency. It is a common saying that the Chinese regard everything from the opposite standpoint to ourselves. This receives a curious illustration in the matter of the currency of the country. Our standard coin is gold. Theirs is the copper cash. All through the interior goods are bought and sold by the "t'iao" or string of cash, each string containing 1,000, worth in English money about 2*s*. 4*d*.

Silver. Silver is used only because it is a valuable article of little bulk commanding a ready sale in any large town, and therefore generally accepted as a medium for barter. In agricultural districts even near the Treaty Port, people look askance at the dollar or lump of silver, and prefer to be paid in copper cash, the recognised coin of the Government mints.

Imports.

Opium. The slight falling off from last year in the import of opium is, like that of many of the other imports, to be chiefly attributed to the purchasing power of the population being curtailed by poor crops of tea and general native produce. It by no means follows that Chinese opium is driving the Indian drug out of this market. On the contrary, the import, setting aside 1891, shows a steady increase over that of previous years. The province of Kiangsi would seem to be a large consumer of opium, for, in addition to the import from India, some of which

no doubt finds its way farther west, a considerable quantity of the Chinese drug is brought in, both by water and, more largely, over land from Szechüan, without coming under the cognizance of the Foreign Custom-house. A very little is grown locally and the flavour of it is generally despised. The Ki-Shui district in the Ki-An prefecture to the south-west has a tract of land some 8 square miles where the poppy is cultivated to some extent, but the quantity of opium produced does not exceed 90,000 lbs. in a good year. In other parts of the province, agriculturists grow it in small plots sufficient for their own use.

Much has been said lately of the evils of the opium-smoking habit. It may not be inopportune, therefore, for the writer to state his experience of its effects—an experience of over 20 years spent in many parts of the Empire, from Newchwang and Peking in the north to Hainan in the south. During the whole of that time, only one case has come to his personal notice of a smoker, the ruin of whose life could be honestly laid at the door of opium-smoking. Several instances could be recorded, where its use has served to alleviate the distress of pulmonary disease and prolong the existence of the individuals, and where probably the cadaverous appearance of the unfortunate sufferer from phthisis or asthma would be seized upon by the anti-opium enthusiast to "point a moral and adorn a tale." Not a few of the writer's acquaintances among Chinese have been consumers of the drug, many of them clever officials and shrewd men of business, on whose faculties, mental and physical, the indulgence seemed to have had no deleterious effect. In the opium divans, all classes of which he has visited, he has never been a witness to any scene of disgraceful disorder.

His opportunities for observation have naturally been chiefly on the surface; it is only medical men working in hospitals, and those connected with police duties among the natives, or the administration of gaols where Chinese are confined, as in Hong-Kong and the Straits Settlements, who see the lowest depths. But the ordinary and not uninterested onlooker must surely be able to learn something of the conditions appertaining to the existence of those among whom he lives. It is, therefore, a great satisfaction to the writer to be able to here set down, for what it is worth, his opinion that the iniquity, at times so loudly charged against his fellow countrymen dealing in the drug, is not by any means self-evident.

Other articles of import need little comment. The quantity of drills has become too insignificant for notice. The number of pieces of English sheetings has (in a bad year be it noted) slightly increased, while American sheetings have almost disappeared. Cottons.

English yarn follows the example set in other places of a considerable decrease, which is in like manner more than compensated by the increase in Indian yarn. Yarn.

American kerosene oil has grown in consumption by 50 per Kerosene.

cent., while Russian oil, though cheaper, has been ousted from the market.

Exports.

Tea. The chief export from Kiukiang is, of course, always tea.

Black tea. The diminution in the export of black tea for 1892, both in quantity and value, was lamentable. The cause is to be found in the general failure of the crop from too much rain at the most critical time.

Green tea. Green tea, however, shows a moderate improvement, contrary to the expectations founded on the steady decline of previous years.

Brick tea. Brick tea doubled in quantity and value, probably owing to increased facilities for manufacture.

Tablet tea. Tablet tea, which, unlike brick tea, is made from the finest quality of dust, shows a marked increase. Two Russian firms are the only makers of brick tea in Kiukiang. One of them has at present the monopoly here of the manufacture of the tablet tea, which is finding a market even outside Russia, in Germany and France. Last year's report spoke of it as "the best and most convenient form of tea that one can possibly imagine for travellers, backwoodsmen, or armies in the field." There would seem to be no reason, however, why whole-leaf tea should not be compressed into nearly the same compass by suitable machinery, much as some kinds of tobacco are treated, and in that case, the leaf being unbroken, one would expect the aroma to be better retained. By an arrangement of the mould the cake could possibly be divided into rations, and thus economy of space in the traveller's box, the army commissariat, and the man-of-war's store-room would be combined with simplicity in use.

Samples of brick and of tablet tea are forwarded with this report for the inspection of anyone interested in the subject. The manufacture is only carried on here in August, September, and October.*

Rice. Rice appears in the export list for the first time. It was shipped to Wuhu, and thence to Canton, in spite of some show of official opposition, by Chinese dealers, to make up contracts which they could not otherwise fill. The consequence was that the price of rice in Kiukiang ranged higher than usual during the winter. The figures of Table II speak for themselves as regards other exports.

Shipping.

British tonnage has maintained and improved its leading position. The appearance of the Norwegian Flag was only temporary.

* Forwarded to India Office.

Tables.

The following tables give the more important details concerning imports, exports, and shipping :—

Table I.—RETURN of the Principal Articles of Import into Kiukiang during the Years 1892–91.

Articles.		1892.		1891.	
		Quantity.	Value.	Quantity.	Value.
			£		£
Opium—					
Malwa	Lbs.	458,666	377,723	479,675	445,897
Patna	,,	2,720	1,923	2,240	1,756
Benares	,,	160	110	800	621
Persian	,,	400	245	133	96
Cotton goods—					
Shirtings, grey	Pieces	234,673	78,933	247,890	93,483
,, white	,,	64,593	28,961	65,183	34,996
T-cloths	,,	42,305	12,787	47,268	16,984
Sheetings, English	,,	38,641	16,075	37,030	19,427
,, American	,,	240	119	440	257
Chintzes	,,	21,614	8,535	17,006	7,469
Turkey-reds cottons	,,	33,345	11,715	32,172	12,585
Cotton lastings	,,	9,118	6,600	7,896	7,351
Velvets	,,	3,187	4,363	2,848	4,568
Handkerchiefs	Dozens	39,439	3,398	37,429	3,649
Yarns, English	Lbs.	247,200	7,970	365,200	13,830
,, Indian	,,	6,717,600	217,203	4,729,600	178,236
Woollens—					
Camlets, English	Pieces	7,972	16,053	11,150	25,638
Lastings	,,	6,887	12,061	7,967	15,156
Long ells	,,	8,360	9,884	11,500	15,177
Spanish stripes	,,	4,388	9,992	4,325	10,600
Cloth, broad, &c.	,,	1,338	5,700	1,358	5,938
Italian cloth	,,	2,930	3,206	2,034	2,394
Metals—					
Iron, all kinds	Tons	1,160	8,761	990	8,578
Tin, in slabs	,,	134	12,063	103	10,583
Lead, in pigs	,,	775	11,258	1,038	17,554
Sundries—					
Bêche-de-mer	Lbs.	74,530	4,432	64,052	4,185
Llama braid	Gross	72,125	4,768	65,964	5,192
Dyes	Value	...	5,023	...	6,270
Ginseng, American	Lbs.	9,303	4,448	8,601	3,617
Kerosene oil, American	Gallons	782,120	18,871	486,100	13,600
Pepper	Lbs.	507,712	13,574	456,041	12,394
Sandal wood	,,	496,542	4,920	331,561	3,951
Seaweed and agar-agar	,,	7,350,420	26,203	7,917,837	33,550

Table II.—RETURN of the Principal Articles of Export from Kiukiang during the Years 1892–91.

Articles.	1892.		1891.	
	Quantity.	Value.	Quantity.	Value.
	Lbs.	£	Lbs.	£
Chinaware	4,294,704	33,075	3,495,047	31,105
Grass-cloth	999,684	56,171	1,169,400	74,300
Hemp	4,100,172	50,042	4,206,804	54,725
Paper	16,823,034	110,985	15,788,983	124,564
Rice	14,746,918	27,240	..	..
Tea, black	18,258,904	695,402	25,684,012	1,399,119
,, green	4,992,896	180,246	4,615,666	185,036
,, brick	4,644,464	51,815	2,005,546	25,665
,, tablet	596,541	9,983	493,392	9,910
Tobacco, leaf	6,827,496	41,506	6,235,642	40,321

Table III.—Return of all Shipping at the Port of Kiukiang during the Year 1892.

Entered.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons
British	1	398	768	813,263	769	813,661
American	1	248	...	...	1	248
German	...	...	1	1,109	1	1,109
Norwegian	...	...	16	6,678	16	6,768
Austrian	...	...	74	75,406	74	75,406
Japanese	...	...	1	643	1	643
Chinese	24	4,500	223	284,404	247	288,904
Chinese junks under special pass	2	20	...	...	2	20
Total ...	28	5,166	1,083	1,181,593	1,111	1,186,759
,, for the year preceding ...	28	5,054	932	974,822	960	979,876

Cleared.

Nationality.	Sailing.		Steam.		Total.	
	Number of Vessels.	Tons.	Number of Vessels.	Tons.	Number of Vessels.	Tons.
British	1	398	768	813,263	769	813,661
American	1	248	...	...	1	248
German	...	...	1	1,109	1	1,109
Norwegian	...	...	16	6,768	16	6,768
Austrian	...	...	74	75,406	74	75,406
Japanese	...	...	1	643	1	643
Chinese	26	4,993	223	284,404	249	289,397
Chinese junks under special pass	32	833	...	...	32	833
Total	60	6,472	1,083	1,181,593	1,143	1,188,065
,, for the year preceding ...	55	5,311	932	974,822	987	980,133

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